

<b>Meeting</b>	<b>FAR Meeting</b>	 <b>Shropshire</b> <b>Towns and Rural Housing</b>
<b>Date</b>	<b>9<sup>th</sup> November 2023</b>	
<b>Time</b>	<b>09.30 – 11.30</b>	
<b>Location</b>	<b>Teams</b>	

**Present:**

Steve Robinson (SR)	Chair of FAR Committee
Tony Deakin (TDk)	Chair of Board, Independent Board Member
Harpreet Rayet (HR)	Managing Director
Ros Bridges (RB)	Corporate Director
Tom Forty (TF)	Operations Director
Barry Hanson (BH)	Head of Policy and Governance of Shropshire County Council
Paul Hayward (PH)	Co-opted Board Member
Emma Jones (EJ)	
Rob King (RK)	
Kevin Williams (KW)	
Jane Threthewey (JT)	
Kath Vose (KV)	Shropshire Council Internal Audit
Leela Cottey (LC)	Item 3, H&S Update
Debbie Gauntlett	Independent Minute Taker
Dave Moran	IT and Business Transformation Manager

**Apologies**

Minute No.		Who	When
1.	<p>The Chair welcomed everyone to the meeting.</p> <p>No apologies were received.</p>		
2.	<p>The minutes of the meeting held on 9<sup>th</sup> September 2023 were <b>approved</b> as an accurate record.</p> <p><b>Matters Arising</b></p> <p>No matters arising (<i>actions list from the previous meeting attached for information</i>).</p>		
3.	<p><b>Health and Safety Update</b></p> <p>Newly appointed Assistant Director for Strategic Assets Leela Cottey introduced herself and provided a brief verbal health and safety audit update.</p> <p>LC confirmed an action plan was now in place, including a structure to ensure all staff and key areas within the business are represented. Documentation is being saved on Microsoft SharePoint to enable easy access, and relevant policies will be available in due course.</p>		

	<p>The Chair asked LC for her initial thoughts on her findings and whether she had any concerns. LC said she believed the right organisational infrastructure was in place to ensure an integrated Health and Safety approach.</p> <p>PH acknowledged that LC had only been in post for four weeks and requested future agendas include a written H&amp;S report (rather than verbal), a copy of the incident log, and a copy of the staff health and safety minutes. He said that as a committee and board member, he found this really useful to understand the 'work on the ground'. LC agreed, advising that she would track back previous paperwork regarding template setups, etc.</p> <p>TF added that a staff H&amp;S meeting had not taken place since April 2023 due to the staffing changes. A meeting was due to take place, and the minutes would be available.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li><b>Future FAR meetings to include a written H&amp;S report, a copy of the incident log, and a copy of the staff health and safety minutes.</b></li> </ul>	LC	Future meetings
4.	<p><b>Strategic Risk Register Update</b></p> <p>Paperwork had been circulated in advance and taken as read.</p> <p>HR highlighted a change in scores on the Strategic Risk Register since the last meeting and highlighted these as:</p> <ul style="list-style-type: none"> <li>The decrease in the housing operations,</li> <li>Increased vulnerability of residents concerning the security sustaining contract,</li> <li>Scores increased relating to the damp and mould, namely due to financial pressures and the change in season,</li> <li>New risks added included in-year budget pressure, dampness and mould, building safety and compliance, data management and integrity,</li> <li>Resolving issues affecting the industry, including costs incurred for backlog work and management and business transformation issues incurred during the last 8/9 months.</li> </ul> <p>HR invited questions from the committee members, including comments on the new style/layout.</p> <p>The Chair highlighted that the Risk Register included details that formed specifics of other reports on the agenda and recommended adding the Risk Register to the end of future agendas rather than at the beginning. <b>HR agreed to action.</b></p> <p>PH recommended adding the following details:</p> <ul style="list-style-type: none"> <li>Finance in-year budget commentary. HR agreed that RB has been working on this. TD said this was more of a business plan risk and not specific to one particular financial year.</li> </ul>		

	<ul style="list-style-type: none"> <li>• Asset Management Comments. Demonstrate that the committee has looked at and identified risks. HR agreed this would be included as a separate risk at the next meeting. <b>Action.</b></li> <li>• Vulnerability. To understand the data and the follow-up in line with the Ombudsman requirements. SR suggested including a document outlining the concerns and share the outcomes at the Board level to highlight what the committee has reviewed and discussed. HR/TF agreed to discuss specific issues at the Customer Service Committee. <b>Action: Discuss at the Customer Service Committee and include a report for the Board of Trustees for information.</b></li> </ul> <p><b>Agreed Actions:</b></p> <ul style="list-style-type: none"> <li>• <b>Add Finance In-Year budget commentary.</b></li> <li>• <b>Asset Management. A separate report is to be presented at the next FAR meeting.</b></li> <li>• <b>Vulnerability. Discuss at the Customer Service Committee and include a report for the Board of Trustees for information.</b></li> </ul>		
5.	<p><b>Procurement Exemptions</b></p> <p>HR was pleased to report that the new Contracts and Procurement Manager had started the previous week and will take the lead moving forward.</p>		
6.	<p><b>Q2 Performance Report 2023/24</b></p> <p>DM joined the meeting to provide an update on the Q2 performance report. The report was taken as read.</p> <p>DM highlighted one issue regarding the KPI percentage of rent collected within a quarter. The team has been looking at arrears' metrics with the Finance and Rents Team and explained the percentage discrepancy between the arrears and rent collected. Following the work undertaken, it was hoped that the metrics would be more measured and consistent moving forward.</p> <p>PH expressed concerns regarding the figures/comments reported regarding the rent calculations. He highlighted the importance of the committee and the Board needing assurance that the figures being presented are correct and recommended that the work take place urgently. TD echoed the concerns regarding the methodology, the system information, and where it is being taken from. <b>Action.</b></p> <p>PH also asked for information on the 24 TSMs performance. <b>Action.</b></p> <p>HR confirmed he had raised concerns with the team and had been given reassurance. HR invited RK to provide an overview of the work that he had undertaken. In summary, RK said he felt comfortable that the calculations worked consistently, as reported to the committee. He said work was ongoing, and a plan was in place to understand and challenge accordingly the methodology. The Chair acknowledged the feedback and echoed the comments that the committee require accurate work to ensure confidence. How is this best going to be</p>	RB HR TF	Board Dec

	<p>done? HR agreed to produce a report for the next FAR meeting to include the work completed to date and the next steps as a presentation, including an assessment of 'where we are'.</p> <p>TD added that he recognised the significant work that had taken place, including the I.T. issues, whilst identifying the work that is still required within realistic timescales to ensure a clear audit trail is in place for both the committee and the Board review.</p> <p>EJ asked about the lack of ASB (antisocial behaviour) data. The management team said they did not know why the data had not been included or reported on. TF added that a draft paper would be discussed at the Customer Service Committee this month, and metrics will be provided at future Committee and Board meetings.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>• <b>Presentation to be brought back to the next FAR meeting for further discussion.</b></li> <li>• <b>ASB draft paper to be presented to the Customer Service Committee. KPI data and objectives to be in place by April 2024 and presented at FAR Committee and Board.</b></li> <li>• <b>Updated data assessment for TSM and KPI to be presented at the next board</b></li> </ul>		
7.	<p><b>Q2 Revenue Monitoring 2023/24</b></p> <p>RB shared a presentation: Q2 Finance Update. Highlights and recognised challenges included:</p> <ul style="list-style-type: none"> <li>• Headline Forecast Year-end position (as at Q2) - £1.101m overspend: <ul style="list-style-type: none"> <li>• Increased Amp and Mould activity No previous budget: 558 cases forecast to be addressed.</li> <li>• Increased voids activity (more voids turned around than last year).</li> <li>• Increased staffing/consultancy. Increase in interim support to progress transformation and address compliance.</li> </ul> </li> <li>• Opening Useable reserves 1st April 2023 - £6.093m</li> <li>• Reserves Commitments: <ul style="list-style-type: none"> <li>• Subject to further work on the business plan.</li> </ul> </li> <li>• Reserves utilisation plan included: golden rules, pension liability, catch up work and legacy growth bids, business transformation (IT), renewal of neighbourhoods offer and council priorities (TA, specialist accommodation).</li> </ul> <p>RB summarised that significant progress had been made and the Q3 update would be a clearer reflection with more detail and accuracy.</p> <p>TD expressed concerns regarding identifying large overspends and the requirement to share the impact on the business plan at the board level. TD acknowledged that longer-term asset costs have increased across the sector and wondered about the impact moving forward.</p> <p>TD suggested a more in-depth discussion regarding the long-term viability take place prior to the next board meeting in December. HR</p>		

	<p>acknowledged the concerns and summarised the process taking place. He said he was working on a draft but would not be available until early next year. HR said he did anticipate that the over-expenditure figures would come down and that some of the pressures/challenges were sector-wide.</p> <p>PH thanked the management team for the information, acknowledging its awareness of the figures and the plans to address them moving forward.</p> <p>JT noted the concerns raised regarding the number of issues being presented and said that she did feel it was optimistic that the committee were now aware and a plan was in place to move forward.</p> <p>JT also explained the process of the pilot inspection, which would not include viability and finances. The focus areas would include service areas, accountability, and how to demonstrate and report.</p> <p><i>JT left the meeting at 10:40 am.</i></p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>• <b>Meeting to be arranged prior to the March 2024 board meeting. HR to reflect on and discuss with TD.</b></li> </ul>		
8.	<p><b>Q2 Capital Monitoring 2023/24</b></p> <p>RK presented. A report had been presented in advance and taken as read.</p> <p>RK shared a presentation. Highlights included:</p> <ul style="list-style-type: none"> <li>• Capital spend programme managed by STAR. <ul style="list-style-type: none"> <li>• Major repairs programme. The budget had been significantly revised in agreement with Shropshire Council up to a total of £8.6m. Spend to date £4m in line with budget.</li> <li>• New build programme. Significantly behind the original budget for new build due to timing delays and lack of management oversight. There are five live developments (further details are available within the report).</li> </ul> </li> </ul> <p>RK invited questions.</p> <p>HR commented that he was pleased with the level of detail being reported compared to previous data that STAR Housing could share with the Council, which he described as 'weak'. RK agreed and explained the timing delays with invoicing, recharging costs, and reconciliation.</p> <p>HR advised that significant work was continuing regarding the development programme, as previously discussed.</p>		

9.	<p><b>Finance Update</b></p> <p>RB summarised the work within the finance team and highlighted the day-to-day issues and the work being completed to improve the reporting.</p> <p>PH requested reassurance on the rent setting for 2024/2025. RK advised that a rent-setting exercise was in place (as part of the Business Plan) and felt confident this would meet the rent-setting requirements. TD recommended contacting Abovo Consultancy for support. HR added that the Local Authority has added a new rent-setting strategy looking at the lower quartile earnings for individuals. This portfolio will be presented to the board. <b>Action.</b></p> <p>TD queried the missed statutory deadlines and whether any penalties had been incurred. RK replied that no statutory deadlines had been missed.</p> <p><b>Action – RK to work with ABOVO on the rent setting process.</b></p>		
10.	<p><b>Business Plan Update</b></p> <p>An update on the Business Plan had been circulated and taken as read. PK was pleased to report this had significantly moved forward, and the information accelerated to Abovo, who were now working on a model plan.</p> <p>TD said he fully supported the recommendations within the report.</p>		
11	<p><b>Stock Validation Survey</b></p> <p>The Stock Validation survey had been circulated in advance and taken as read. TF believed that this paper would reassure the committee that the information, approach, methodology, and figures are robust in line with standards.</p> <p>TD asked whether the revised costs were up-to-date. HR said he felt confident that they were.</p>		
12	<p><b>Audit Update</b></p> <p>KV provided a verbal update. In summary:</p> <ul style="list-style-type: none"> <li>• Three audits are now completed (two at draft and one at final stage) — detailed reports to be presented at a future FAR meeting.</li> <li>• Two additional audits to be completed.</li> <li>• Report findings are not as positive, echoing the discussions of today's meeting. Recommendations regarding spreadsheet and data quality will be taken on board and implemented.</li> </ul> <p>Further information will follow once a review of the testing involved has taken place. KV will liaise with HR and TF regarding next year's plan.</p>		

	<p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>• Detailed reports of audits to be presented at future FAR meetings.</li> <li>• Copies of audits to be shared with the board along with the management responses</li> </ul>	RB	
13.	<p><b>Any Other Business</b></p> <p><b>Compliance Policies.</b> Draft policies have been approved and HR has sent to the Local Authority for formal feedback.</p> <p>PH requested the matters arising from the previous meeting be included in the minutes.</p> <p>The Chair thanked HR, the team, and the Finance Board members for the reports and feedback acknowledging the difficulties but felt confident 'everyone was in the same place'.</p> <p>With no further items for discussion, the meeting closed at 11.15 am.</p>	DG	November

**Actions from FAR meeting held 9th September 2023.**

Meeting	Shropshire Towns & Rural Housing Ltd FAR Meeting		
Date	9th September 2023		
Actions	Checklist		
Agenda Item	Action	Who	Status
2.	<p><b>Matters Arising from 25th July 2023</b></p> <ul style="list-style-type: none"> <li>Health and Safety update. Parking safely.</li> <li>Strategic Risk Register Update. Risk session to be arranged and date to be circulated to all once agreed.</li> <li>30 Year investment plan. To be presented at the December FAR meeting.</li> <li>Reserves Planning. To be part of the Business Plan work.</li> <li>Draft External Audit Findings 22/23. Older aged debtors to be completed in advance of the next year end.</li> <li>Compliance Policies. Draft to be available at the next FAR meeting.</li> <li>Financial Rules Update. Planning meeting to be scheduled to set deadline dates. Written report to be available at the next FAR meeting.</li> <li>Contract Register update.</li> <li>Contracts/Repair contractors. Monitoring report to be available.</li> <li>Committee meeting dates. Future dates to be agreed/circulated.</li> </ul>	<p><b>KW</b></p> <p><b>CB</b></p> <p><b>HR</b></p> <p><b>RB</b></p> <p><b>HR/RB</b></p> <p><b>HR</b></p> <p><b>HR</b></p> <p><b>HR</b></p> <p><b>RB</b></p> <p><b>RD</b></p>	<p><b>ASAP</b></p> <p><b>December</b></p> <p><b>November</b></p> <p><b>November</b></p> <p><b>November</b></p> <p><b>November</b></p> <p><b>November</b></p>
3. 9/11/23	<p><b>Health and Safety</b></p> <ul style="list-style-type: none"> <li>Safeguarding. Annual Review paper to be drafted for approval at a future meeting.</li> </ul>	<b>KW</b>	<b>In progress</b>
4.	<p><b>Strategic Risk Register / Risk Workshop</b></p> <ul style="list-style-type: none"> <li>RAAC Updates and financial risk updates to be updated within the Strategic Risk Register prior to being presented to the full board on 18th September 2023.</li> <li>Register to remain active and discuss at Risk Register Workshop.</li> <li>Sustain Contract options to be presented to the Board on 18th September 2023 for recommendation, discussion and approval. Decision deadline: 1st October 2023.</li> </ul>	<b>Robert, SW, TF, HR</b>	<b>Sept 2023</b>
6. 9/11/23	<p><b>Finance Review Update</b></p> <ul style="list-style-type: none"> <li>Recommendations regarding the restructuring to be presented to the Board for approval at the next meeting.</li> </ul>	<b>RB/HR/RK</b>	<b>Sept 2023</b>
7. 9/11/23	<b>Business Plan Update</b>	<b>Rob</b>	<b>Nov</b>

	<ul style="list-style-type: none"> <li>• Progress reports to be available at future FAR meetings for information.</li> </ul>		
8. 9/11/23	<b>Q1 Budget Monitoring 2023/24</b> <ul style="list-style-type: none"> <li>• Detailed report to be available at the next FAR meeting and Board meeting afterwards.</li> </ul>	RB	Nov/Dec
10. 9/11/23	<b>Outline Procurement Strategy</b> <ul style="list-style-type: none"> <li>• Include context/improvements for the Board</li> </ul>	RB/HR	

**Actions from last FAR meeting held 9th November 2023.**

<b>Meeting</b>	<b>Shropshire Towns &amp; Rural Housing Ltd FAR Meeting</b>		
<b>Date</b>	<b>9<sup>th</sup> November 2023</b>		
<b>Actions</b>	<b>Checklist</b>		
<b>Agenda Item</b>	<b>Action</b>	<b>Who</b>	<b>Status</b>
Item 2	<ul style="list-style-type: none"> <li>• Minutes approved. To be signed by the Chair.</li> </ul>	SR	
Item 3	<ul style="list-style-type: none"> <li>• Future FAR meetings to include a written H&amp;S report, a copy of the incident log and a copy of the staff health and safety minutes.</li> </ul>	LC	
Item 4	<p><b>Strategic Risk Register</b></p> <ul style="list-style-type: none"> <li>• Risk Register to be added to the end of future agendas (following discussions)</li> <li>• Finance in-year commentary to be added to the register.</li> <li>• Asset Management. A separate report to be presented at the next FAR committee meeting.</li> <li>• Vulnerability. Discuss at Customer Service Committee and include a report for the Board of Trustees (for information).</li> </ul>	HR RB	
Item 6	<p><b>Q2 Performance Update 2023/24</b></p> <ul style="list-style-type: none"> <li>• Presentation to be brought back to the next FAR meeting for further discussion.</li> <li>• ASB draft paper to be presented to the Customer Service Committee. KPI data and objectives to be in place by April 2024 and present to the FAR committee and full Board.</li> <li>• </li> </ul>		
Item 7	<p><b>Q2 Revenue Monitoring 2023/24</b></p> <ul style="list-style-type: none"> <li>• Meeting to be arranged prior to the December board meeting. HR / TD to discuss.</li> </ul>		
Item 9	<p><b>Finance Update</b></p> <ul style="list-style-type: none"> <li>• Rent Setting. Following exercise, portfolio to be presented to the full Board.</li> </ul>		
Item 10	<p><b>Business Plan</b></p> <ul style="list-style-type: none"> <li>• In progress.</li> </ul>		
Item 12	<p><b>Audit Update</b></p> <ul style="list-style-type: none"> <li>• Detailed reports of the five audits to be presented at a future FAR meeting once completed.</li> </ul>		
Item 13	<p><b>Any Other Business</b></p> <ul style="list-style-type: none"> <li>• Draft policies awaiting approval by Local Authority</li> </ul>		

	<ul style="list-style-type: none"><li>• Matters arising from previous minutes to be included within these minutes.</li></ul>		
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