

South Essex Homes Limited

Board Meeting

Date: Thursday 21 January 2021

Time: 3.00pm Venue: MS Teams

Board Agenda

| | Item | Lead Person | Indicative Timing |
|-----------------------------|---------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------|
| 1. | Welcome and Introductions | | |
| 2. | Apologies for Absence | | |
| 3. | Declarations of Interest | | |
| <u>PUBLIC AGENDA</u> | | | |
| 4. | Public Minutes & Matters Arising from the Board Meeting held on 21 October 2020 | Roger Eastwood | 10 mins |
| 5. | Coronavirus – Organisational update | Mike Gatrell/ Simon Putt | 10 mins |
| 6. | Chair's Remarks | Roger Eastwood | 10 mins |
| 7. | Residents' Voice Your View | Simon Putt | 5 mins |
| 8. | Governance & Stewardship | Simon Putt | 10 mins |
| 9. | Company Assurance Report as at 30 November 2020 including draft Management Fee bid and Budget 2021/2022 | Daniel Lyons | 15 mins |
| 10. | Health & Safety Compliance Report | Mario Ambrose | 10 mins |
| 11. | Fire Safety Update Report | Mario Ambrose | 10 mins |
| 12. | Social Housing White Paper update report | Simon Putt | 10 mins |

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| 13. | Minutes from Audit & Risk Committee meeting held on 10 December 2020 | David Joyce | 10 mins |
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South Essex Homes Limited

Minutes of Board Meeting

Date: 21 October 2020

Time: 3:00 pm Ended: 5.15pm

Via MS Teams

Present: Roger Eastwood - Chair of the Board; Meg Davidson - Vice-Chair of the Board; Phyllis Ward; Michael Oxley; Chris March; Sacha Jevans, David Joyce, Peter Wexham; Chris Silvey; Margaret Borton

In Attendance: Mike Gatrell - Chief Executive; Mario Ambrose – Executive Director; Simon Putt – Company Secretary; Sarah Lander – Assistant Director Operations; Beverley Gallacher – Assistant Director Commercial; Daniel Lyons – Financial Services Manager; Glyn Halksworth, Head of Housing and Social Inclusion, SBC; Tim Holland, Interim Head of Housing Supply; Daniel Lyons – Financial Services Manager; George Sutherland – Chair SEPS’ Board; Carol Cooper – Board Support

Tenant Observers: Keith Ducker, Bob Ayris, Mike Smith, Majzoubb Ali

Minutes of Board Meeting

Action

| | PUBLIC AGENDA ITEMS | |
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| 1. | Welcome and Introductions | |
| 1.1 | RE welcomed everyone to the Board Meeting. | |
| 2. | Apologies for absence | |
| 2.1 | There were no apologies for absence. | |
| 3. | Declaration of Interest | |
| 3.1 | CS declared that he continues to assist the STRF in a private capacity to develop their website. | |

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| 3.2 | MB declared an interest in Agenda Item 17 as her daughter is ward manager at EPUT (Mental Health and Learning Disability Services). | |
| 4. | Public Minutes & Matters Arising from the meeting held on 21 July 2020 | |
| 4.1 | The minutes were agreed as a true and accurate record of the meeting. | |
| 5. | Governance & Stewardship | |
| 5.1 | SP updated that a shareholder meeting would be held following this meeting regarding SEPS' reappointment of GS as detailed in the Governance report. | |
| 5.2 | RE updated on the position regarding the Tenant Board Member vacancy in Chair's Remarks. | |
| 5.3 | Recommendations: | |
| i) | The Board noted the position with regard the Tenant Board Member vacancy. | |
| ii) | The Board noted the Chair's Action agreed by the Chair and Vice Chair in accordance with the Code of Governance for approval of – recruitment of Resident Liaison Officer – Major Projects | |
| 6. | Chair's Remarks | |
| 6.1 | RE spoke about Jean Pickering who had recently passed away and updated on the work that Jean had undertaken on behalf of the community. | |
| 6.2 | RE updated that following the shortlisting process it had been agreed that the applicants did not meet the criteria required and the vacancy has been readvertised in Insight magazine with a closing date of 30 November. The SEH Communications Team are working with the STRF for the advert to appear on STRF Website. | |
| 6.3 | RE updated that SBC's Shareholder Board had met on 20 October. RE, MG and DL had attended. The meeting had been very positive and it was clear that SBC were happy with the way SEH manage public funds. Shareholders encouraged further collaboration between SBC and SEH/SEPS. The Shareholder Board were pleased to see the inclusion of energy efficiency and decarbonisation as part of the green agenda included in the SEH Business Plan. | |

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| 6.4 | GH reinforced the positive conversation that had taken place at the Shareholder meeting. GH also confirmed that he believed that working closely on the Partnership Agreement had enhanced the working relationship between SBC and SEH/SEPS and other key business partners. This relationship had been reinforced during the pandemic in which innovative and different ways of working had been established. GH confirmed that the Partnership Agreement had been sent to the Secretary of State for signature and reassured the Board that he felt that this would be signed and it is hoped that the Agreement will go live on 1 January 2021. | |
| 6.5 | RE updated the Board of an incident where a SEPS' security guard had been assaulted whilst on patrol. BG confirmed that whilst it is unusual for guards to be assaulted, ASB in the borough has increased and therefore EMT had agreed to enhance the day patrol to 2 guards, this will be in place until 31 March 2021. This will add resilience and resources to the service. | |
| 6.6 | DJ asked whether there was any liability on SEH's part with respect to duty of care. BG confirmed that following an investigation there is no liability for SEPS. BG confirmed that the findings have been documented accordingly. | |
| 6.7 | MO gave an overview of the NFA conference that he attended on 13 & 14 October. The documents have been added to the Resource Centre in Diligent | |
| 6.8 | MO stated that of special interest was the presentation given by Eamon McGoldrick and also the presentation from Campbell Tickell regarding governance. | |
| 6.9 | MG updated that the Internal Audit programme does include a review of governance arrangements with SEH. Under the Internal Audit Service Level Agreement, PWC are about to commence a review of governance. | |
| 7. | Residents' Voice Your View | |
| 7.1 | SP advised that there were no Residents' Voice Your View comments received. | |
| 8. | Health & Safety Compliance Report | |
| 8.1 | MA updated on figures contained within the report. Since the report had been prepared a further 33 electrical test certificates had been completed and 24 gas safety certificates. A bottleneck had occurred with the difficulty of getting warrants through Court but he confirmed that a significant number of warrants had been obtained this week. | |
| 8.2 | MB sought reassurance regarding the testing for Legionella. MA confirmed that although the water sampling had been suspended remote monitoring continues and therefore SEH remain compliant. | |

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| <p>8.3</p> <p>8.4</p> <p>i)</p> | <p>MB sought reassurance regarding the lifts in blocks, particularly the Balmoral Estate where there had been issues with both lifts. MB expressed concern that if lifts were unavailable for any period of time this could leave tenants unable to leave their property and unable to purchase food. MA reassured that if lifts were unavailable for any length of time it would be possible to decant those tenants temporarily to guest rooms in sheltered schemes or other suitable accommodation as an interim measure or to help with shopping requirements.</p> <p>Recommendation:</p> <p>The Board noted the progress update provided by the Regulation Compliance Officer.</p> | |
| <p>9.</p> <p>9.1</p> <p>9.2</p> <p>9.3</p> <p>9.4</p> <p>9.5</p> | <p>Fire Safety Update Report</p> <p>MO requested clarification on point 4.4 pilot voice activated fire annunciation system. MA explained it was a system whereby the fire brigade on the ground could speak to residents if there were to be a fire. This enabled the Fire Service to have more control over the evacuation of the building. MA confirmed that this system is beyond what the new building regulations are likely to require and therefore a positive step for SBC and SEH in relation to tenants' fire safety</p> <p>MO sought assurance regarding confidentiality with the information kept in PIBs. MA confirmed that this would not include personal data and would only be accessible to the Fire Service. MA confirmed that this scheme will also be extended to sheltered schemes.</p> <p>CM required clarity regarding what process is in place for ensuring that the data is kept up to date. MA confirmed that a process is in place with the tenancy team updating the relevant information upon sign up to a property. The Fire Safety Manager will check the information on a monthly basis. The FSM will sign and date each PIB whether changes have happened or not to provide an audit trail.</p> <p>CM requested clarity as to how SEH ensure that specialist expert consultants can produce the expertise they claim. MA confirmed that the consultants being used have been working with SEH for several years and were selected as part of a framework which demonstrates that they have the level of knowledge to undertake the work. All other specialist areas such as structural expertise and fire safety will be dealt with by other experts in their field. The project will also be managed by SEH staff including the Head of Major Projects.</p> <p>MB sought assurance regarding resident involvement in checking their doors. MA confirmed that SEH are not asking residents to check their doors to replace the current maintenance project but to ask residents to check to make sure their doors are in good working order and closing effectively. If residents are able to identify faults then these can be repaired quickly instead of waiting until the maintenance check is due.</p> | |

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| 9.6 | <p>Recommendation:</p> <p>i) The Board noted the content of the report and agreed to continue to support the Executive Management Team’s endeavours to meet the challenges resulting from the Grenfell Tower Inquiry.</p> | |
| 10. | <p>Final Draft Audited Accounts 2019/2020</p> <p>10.1 DL gave an overview of the report.</p> <p>10.2 DL noted one amendment on page 29 of the accounts ‘License fee income’ will be changed to ‘catering income’. Scrutton Bland had agreed the amendment.</p> <p>10.3 Recommendations:</p> <p>i) The Board approved the Financial Statements for 2019/2020 as recommended by the Audit & Risk Committee.</p> <p>ii) The Board agreed that the unadjusted errors contained within the External Audit Report remain unadjusted due to the immateriality of the transactions as recommended by the Audit & Risk Committee.</p> <p>iii) The Board noted the Letter of Representation from Southend Borough Council confirming group support.</p> <p>iv) The Board agreed the Letter of Representation from the Company to Scrutton Bland and agreed to the Chair and the Company Secretary signing the letter on behalf of the Company.</p> | |
| 11. | <p>Company Assurance Report as at 31 August 2020</p> <p>11.1 DL gave an overview of the report</p> <p>11.2 MB sought clarify regarding hard to let properties and whether any additional work could be undertaken to make these properties more attractive. SL updated that this level of empty properties was not experienced prior to the pandemic and that the situation is being monitored closely. The more difficult to let properties are mostly in part 2 sheltered schemes and it is thought that given the current situation that people are less willing to live in these schemes presently.</p> <p>11.3 MD requested information as to how many properties are currently in void stock and how this compared to the same period in 2019. SL agreed to share the information outside of the meeting.</p> | SL |

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| 11.4 | Recommendations: | |
| i) | The Board noted the update provided on financial information as at August 2020. | |
| ii) | The Board noted the Key Performance Indicators position as at August 2020. | |

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**Public Matters Arising from Board Meeting
held 21 October 2020**

11. Company Assurance Report as at 31 August 2020

11.3 MD requested information as to how many properties are currently in void stock and how this compared to the same period in 2019. SL agreed to share the information outside of the meeting.

SL

The following provides comparative data broken down by months of voids in 2019 and 2020.

For info – the ‘non-lettable’ properties include Town Centre properties affected by Better Queensway project that are in too poor condition to use on a temp basis, ex-sheltered housing officer accommodation that cannot be used for housing register applicants and more recently, properties being held for Balmoral major works programme.

| Month | 2019 | | | 2020 | | |
|-----------|---------|----------|-------|---------|----------|-------|
| | Non-let | Lettable | Total | Non-let | Lettable | Total |
| January | 13 | 37 | 50 | 13 | 79 | 92 |
| February | 13 | 56 | 69 | 13 | 73 | 86 |
| March | 13 | 58 | 71 | 13 | 75 | 88 |
| April | 13 | 58 | 71 | 13 | 83 | 96 |
| May | 13 | 77 | 90 | 13 | 108 | 121 |
| June | 13 | 78 | 91 | 13 | 108 | 121 |
| July | 13 | 84 | 97 | 13 | 110 | 123 |
| August | 13 | 73 | 86 | 13 | 102 | 115 |
| September | 13 | 70 | 83 | 12 | 73 | 85 |
| October | 13 | 69 | 82 | 13 | 118 | 131 |
| November | 13 | 77 | 90 | 27 | 116 | 143 |
| December | 13 | 75 | 88 | 29 | 105 | 134 |

South Essex Homes Limited

Report of Chief Executive and Company Secretary
to
The Board
on
21 January 2021

Report prepared by Simon Putt
Tel: 01702 212624

Agenda
Item No.

5

Coronavirus Organisational Update

A Public Agenda Item

1 Purpose of Report

- 1.1 To provide an update to the Board on the impact of the Coronavirus pandemic.

2 Recommendation

- 2.1 The Board are recommended to note the contents of the report and the detailed Appendix, which details the organisation's ongoing handling and work in light of the Coronavirus pandemic.

3 Background

- 3.1 Board Members will remember that fundamental changes were described in my earlier report in July 2020. This further report is aimed to provide you with the detailed understanding of how our organisation and teams have had to deal with the challenges and opportunities that Covid-19 has presented.
- 3.2 In **Appendix 1** you will find detailed information of how the teams have worked and continue to work with each other and other partnership organisations to deliver an excellent service to residents and maintain the rental income stream for the Council.
- 3.3 At the point of the report being drafted, a further national lockdown had just been introduced and it is highly likely that this will have further implications for residents, services and staff and, therefore, the management team will provide further updates, as necessary, on the position for the organisation at the Board meeting'

4. Equality and Diversity

- 4.1 All equality and diversity issues identified from the proposals contained in this report have been considered and are in accordance with the South Essex Homes' Equality and Diversity Policy.

5 Risk

- 5.1 Any risks identified from the proposals contained in this report have been considered by the Executive Management Team.

6 Financial Implications

- 6.1 The medium to longer term financial implications of the pandemic are only likely to become clearer over a longer period of time. In the short term, the organisation's financial position is covered by the approved management fee although where there have been some specific additional areas of work arising because of the pandemic; we will work with the Council to agree the most effective way to deliver these.
- 6.2 Going forward, as further financial implications become clear, the Board will be fully informed of those implications and of any decisions arising.

7 Resident Consultation

- 7.1 Not applicable for this particular report.

8 Background Papers

- 8.1 None

9 Appendices

- 9.1 Appendix 1 – Detailed updates from individual teams and general organisational update.

Appendix 1 to Agenda Item 5 – Detailed Updates from Individual Teams and general organisational update

Contents

1. Supported Housing Team
2. Temporary Accommodation Team
3. Support Services Team
4. Tenancy Services Team
5. Community Safety
6. Property Services Team
7. Careline SoS Team
8. Estates Services Team
9. South Essex Property Services
10. Specialist Income Management Team
11. General Organisational Update

1. Supporting Housing Team

- 1.1 In line with the national picture, the team are beginning to see an increase of numbers of sheltered residents and also some of the team who are Covid positive. A majority of the sheltered service is being delivered remotely but the team continue to provide an onsite presence where there are emergency or health and safety concerns. Officers continue to support residents daily via support calls.
- 1.2 Due to this increase in Covid cases for residents, the team have been reviewing whether it is appropriate to continue to keep communal lounges open. We are working closely with colleagues from Public Health and the Council to continually monitor the situation and are very mindful of the impact on residents' mental health and exacerbating social isolation that the pandemic is having. However, in view of the introduction of the Tier 4 restrictions and the very clear guidance that all households should remain in their own homes the decision was made just before Christmas to close the communal lounges. This fact, coupled with an unfortunate reduction in our staff capacity as a result of a combination of positive Covid tests and shielding by a number of our staff members, meant we effectively had no option.
- 1.3 The decision has been taken in full consultation with colleagues in the Public Health Team and the Council's Housing Team
- 1.4 All residents have received letters advising them of the situation and the reasons why this action has been necessary.
- 1.5 The situation will be kept under regular review however further to recent announcements by the Prime Minister we do not anticipate that this situation will change while the country remains in lockdown.

2. Temporary Accommodation Team

- 2.1 As was the case during Lockdown 1, evictions have been suspended unless there is a clear risk to other residents or staff. A proportionality assessment and escalation process are in place which Officers follow. Where every alternative to eviction has been exhausted a professionals' multi-agency meeting will consider any such case and agree the appropriate course of action which by exception, may include eviction. Staff have continued to work with a client group of rough sleepers who are now referred to hostels through the Rough Sleeper Initiative. The team have excelled in supporting this new complex client group and continue to manage issues in order to reduce homelessness. Staff are supporting residents with food parcels and have sourced over 200 toys for families for the Christmas period.

3. Support Services Team

- 3.1 The Balmoral Food Centre continues to work well to support families within Milton and Victoria Wards who are 'just about managing' (JAM). They provide a drop-in centre for families 3 days a week at the Balmoral Centre. The Hub has remained open and is supporting residents with housing and money advice as well as continued online support. South Essex Community Hub has taken over a new premises to deliver its services from the North Road Chapel which is located within the Balmoral Estate vicinity. It can now provide the counselling service from here where people are unable to access the support online.
- 3.2 The Team continue to support digital inclusion by working with older residents who have no ability to access the internet or online services. The Covid pandemic has made it more difficult for these residents to engage and also potentially increases their social isolation. This work involves provision of equipment and individual training to build residents' capacity and improve their ability to maintain communication with family and friends remotely

4. Tenancy Services Team

- 4.1 Since the first lockdown restrictions relaxed earlier in the year the re-housing team has been working hard to advertise and let all of the Council's void properties. They successfully managed to catch up with the backlog of void properties within a month of reactivating this function to resume normal service but have been left with a high number of 'hard to let' Part 2 sheltered bed-sit accommodation. These sheltered bedsits have been advertised as usual on the Council's choice based letting system 'On the Move' (often multiple times) but have received no bids from applicants. The main reason for this, we believe, is that these properties are age-restricted, and this demographic of clients are choosing not to bid during the Covid pandemic. We have liaised with the Council's Housing Solutions Team and as they process their back log of applications, they will prioritise Housing Applications where the applicant is above the age of 60 years and would qualify for these kinds of properties. In addition, SHE's Support Services Officers are directly contacting eligible applicants to raise their awareness of these properties and see if they need any assistance to bid.

- 4.2 During the early stages of the pandemic, where re-letting voids was limited, officers in the re-housing team had worked on carrying out welfare calls for those identified as being potentially vulnerable. One of the team has even continued to do a weekly food shop for one of our residents who live in a Part 1 scheme.
- 4.3 Generally, the void contractor, Morgan Sindall (MS) is completing works to voids within agreed timescales.
- 4.4 The team are striving to continue to provide services to our residents, albeit in a different way. During the initial stages of the pandemic, the Tenancy Services Officers adapted how they communicate and engage with the residents, using letters, phone, email, and Zoom calls to investigate and resolve matters. To a large degree they have been able to continue with these practices, which is particularly valuable in the light of the significant increases of infections locally and Southend moving to Tier 4.
- 4.5 The main challenges are conducting visits in peoples' homes and face to face appointments such as sign ups. During the pandemic Mutual Exchanges applications and routine property inspections were not carried out, due to the associated risks and the Government Guidelines at that time. Now we have ensured that risk assessments are in place and reviewed at intervals as and when the guidelines changed, these activities having been going ahead in line with these risk assessments.
- 4.6 The team have seen a sharp rise in the number of ASB cases being reported at the beginning of the pandemic, with many cases relating to others not adhering to the Government Guidelines. Tenancy Services and Essex Police worked in partnership to ensure that a consistent message was given to residents to offer reassurance and guidance. Throughout 2020 the team continue to see a rise in the number of reported ASB cases. This is a primary focus for the team with additional temporary resource allocated by the Council, being used to ensure that all outstanding ASB cases are dealt with appropriately and in a timely way.
- 4.7 The team have encountered significant difficulties in gaining access to carry out the annual gas service during the pandemic and this resulted in unacceptably high numbers of properties without a valid CP12 certificate during summer/autumn 2020. Part of the reason for this was difficulty in securing court dates to apply for warrants as well as a reticence from some residents to allow access due to concerns around the Covid infection or their self-isolating. The team has taken great strides to address this situation and through excellent communication with tenants as well as using the court process when needed, the position at 18th December stands at only 2 outstanding gas services with which we are following our usual difficult access process. Of course, this position can fluctuate as new services become due, but officers are monitoring progress daily. There have been some frustrations with the magistrates' court not confirming new listings for warrants very quickly. We are communicating with them regularly via email and have engaged the assistance of the Council's Legal Team via the court user group to prevent any issues from building up.
- 4.8 The team are also working with colleagues across the organisation to refine and improve the process to gain access in to 'difficult access properties' for purposes such as fire door servicing.

5. Community Safety

- 5.1 The Board will recall that officers contacted all of our residents that are over 70 living in general needs accommodation and other residents under this age group that we considered may be 'vulnerable', to check on their welfare and offer assistance should they not have any support network in place. Officers are now focusing attention on following up these calls particularly those where no contact was made despite earlier efforts including visits to their homes. Officers have made good inroads with these, with a relatively small number still to be visited. Any referrals from these visits are passed to the South Essex Community Hub charity or managed by our officers where individuals can and have been linked to a volunteer or the befriending service.
- 5.2 There has been some media attention in respect of local authorities appointing Covid Marshalls to respond to non-compliance of government guidance. SBC has seconded officers from within the organisation to carry out marshalling activities based within the Regulatory Services Team. Their role is primarily focussing on non-compliance by businesses and high footfall areas such as Southend High Street.
- 5.3 Due to an increase in residents declining mental health and an increase in Safeguarding referrals, an MS Teams meeting was held with front line managers and mental health services to obtain a greater understanding of where to gain advice and assistance for front line officers.

6. Property Services Team

- 6.1 Since the 3rd August MS have returned to a 'normal' service with all engineers back to work full time. Initially as tenants started to report non-emergency repairs a backlog occurred but additional resources were brought in to assist from other neighbouring contracts to assist. The number of repairs currently in the system are at normal levels.
- 6.2 A weekly progress meeting is held with MS where scrutiny is undertaken of jobs which are nearing the target date.
- 6.3 Performance by the contractor remains within contractual targets. There has been a slight increase in the average time to complete all repairs. This has been caused by some residents self-isolating.
- 6.4 The team are also developing a 'route map' of actions and priorities with MS describing a collective plan to underpin an excellent responsive repairs service, support vulnerable residents and, maximise outcomes for our customers as well as SEH and MS.
- 6.5 The new contact centre has settled in extremely well with the new team working well with the technical and non-technical staff both within South Essex Homes and with staff from MS's contact centre
- 6.6 The integration between the repairs ICT systems is nearing completion and it is hoped it will go live shortly with the contact centre staff using it initially. Once it

has been fully tested in the live environment the proposal is that it will be rolled out across the organisation, with all staff raising their repair orders direct which will free up staff at the contact centre.

6.7 Capital Programme Update – December 2020

- 6.7.1 Following the earlier report and the continuation of lockdowns and local restrictions the team finally commenced a full programme on 28th September 2020 and have continued to deliver projects in these uncertain times and through collaboration with our contractors and working in a new way to protect all stakeholders against Covid-19.
- 6.7.2 Despite these circumstances the team have still managed to deliver a number of projects which continue to improve the properties under their control.
- 6.7.3 The team also have a number of projects that have been Tendered and awaiting award and are now in process of preparing Tender Documents for Frameworks that are coming to an end and looking at potential projects to be included in next year's programme.
- 6.7.4 Asbestos works and surveys have reverted to normal volumes with no material backlog or access issues.
- 6.7.5 Electrical inspections are being undertaken and volumes are now returning close to normal rates with the backlog of works being addressed with the aim to be back on track this calendar year. This follows a reduced number of inspections undertaken between March to July due to a combination of tenant access and contractor availability.
- 6.7.6 Legionella testing and protocols continue as planned with no present or anticipated problems.
- 6.7.7 In recognition of the statement issued by Government on Saturday 19th December, Morgan Sindall Property Services has reviewed its current approach, and for contracts that fall substantively into the new 'tier 4 restrictions' they will move to an essential/emergency works only.
- 6.7.8 This means that they will only provide;
- An essential service of emergency repairs and priority voids
 - Undertake Building Safety/Compliance activities (such as Gas Servicing) and deem them essential
 - Where planned works have commenced, MS will make safe and secure until we can resume work safely
- 6.7.9 MS have assured us that they will continue to ensure their workforce are fully equipped with PPE and operate in a safe manner, adhering to current guidance to increase the confidence of both operatives and residents.

7. Careline SoS

- 7.1 Calls had started to increase again following the 2nd lockdown and the team continue to maintain the target of responding to 97.5% of calls within 60 seconds. The initial impact of the third lockdown is not entirely known as yet but already there has been a reduction in the number of calls coming through and sales have continued to decrease as residents/customers stay at home. The team have not been able to undertake any significant marketing of the service in the last six months but continue to bring on board new dispersed customers, although they are experiencing a number of losses due to death, respite and care home admission of some of our customers, however, have not lost any customers to other providers in the last 6 months.
- 7.2 The service is currently only able to operate from an office environment and currently does not have the ability to work remotely therefore not affording us the option to have staff working from home. There have been a number of staff self-isolating in the 2nd lockdown and now staff are absent due being contacted by Test and Trace. Further with the new Government guidance around shielding we have a small number of staff no longer able to work within the office so there are duties that have been identified to enable them to work from home. The team are working extremely hard to ensure that the service continues to provide a response to the most vulnerable of customers.
- 7.3 The Assistant Director -Commercial is currently reviewing the Careline Service system provider and has engaged with a number of market leaders in recent months to understand the offers available to us as we move forward into “a new normal”. The current contract arrangements cease in 2021 and we are actively looking at framework agreements to ensure that procurement is efficiently carried out.
- 7.4 The Telecare Services Authority accreditation which we have had in place for the last 6 years is due for renewal in 2021 and the team are working hard to provide auditors with all the information they require for this audit which is due to take place in March next year. As this is a full audit there is much work to be completed to coordinate all the documentation for this is an evidenced based assessment.

8. Estates Services Team

- 8.1 The service continues to work on a business as usual method, although risk assessments have been carried out and arrangements have been made for staff to take our vehicles home so that they do not have to travel to one place which had brought all staff together at the beginning and end of each day. Face masks are mandatory when cleaning in communal areas and, in some instances, PPE is used. The team continue to see a much larger issue with bulk refuse and have been in dialogue with Veolia the Councils waste provider to ascertain if buying in some services from them would be a better value service for our tenants. This conversation is continuing as bulk clearance costs are 25% higher than in previous years. In addition, the strategy around company vehicles is being reviewed as leases on our current fleet mature late in 2021, this gives us the opportunity to look at more sustainable and environmentally friendly ways to

move around the borough and to look specifically at much smaller electric vehicles and using energy from solar panels.

9. South Essex Property Services

- 9.1 The repairs contact centre has continued to flourish and key performance indications are on track. The team have completed their initial training programme and are working very efficiently. Further system changes will be brought in at the beginning of 2021 and that should improve the time taken on each individual call. The team are also introducing options to extend customers choices on how they communicate with us, so they can also contact on Facebook to carry out non urgent repairs which our teams will pick up and progress.
- 9.2 The catering service still remains on hold whilst the café and hospitality service at the Civic Centre remain closed. The team have been asked to provide options on what an offer might look like in mid-2021 which we are currently working towards.
- 9.3 The team continue to deliver to the Council enhanced cleaning services at the Civic Centre, Tickfield Centre and Libraries and Museums throughout the town.
- 9.4 In addition, the team are also working on opportunities to expand the services provided by the fire door servicing team as the Fire Safety Act progresses. Currently it is proposed to increase both communal and flat door servicing from the annual servicing programme in place, and they are looking at resources to ensure that they are ready to hit the ground running should that become law.
- 9.5 It has remained difficult to increase business development during 2020 but we still have a number of opportunities that we will continue to explore both with the Council, Porters Place LLP, Southend United Football Club and other housing providers.

10. Specialist Income Management Team

- 10.1 The team continue to serve Notice to Seek Possession (NSP) which now requires a 6 months' notice period for the majority of cases before court proceedings can be issued. Exceptions include arrears of more than 6 months and Anti-Social Behaviour (ASB) grounds. Since the 6 months' notice period was brought in (September 2020) 96 NSPs have been served and all of these are still within the 6 months period where we cannot issue possession proceedings.
- 10.2 Changes to possession proceedings
- 10.2.1 Possession claims for rent arrears that were issued prior to 23rd March 2020 need "re-activating" with the Court. Where possible the team have arranged consent orders, where an agreement is reached outside of court proceedings and a draft order is submitted to the court. These avoid the need for a court hearing to take place as all parties agree to the outcome.

- 10.2.2 For all cases the team are now required to try and establish if and how the tenant has been impacted by the coronavirus pandemic and they have therefore introduced some new letters to meet this requirement.
- 10.2.3 The aim in all cases to ensure that all avenues have been exhausted prior to issuing or reactivating possession proceedings. The clear message the team are delivering to tenants is that we want to support them to sustain their tenancies and this message seems to be increasing engagement. The team continue to use all channels available to them to engage with tenants including phone, letter, text message; email and video conferencing (i.e. Zoom). The team are also looking to increase our use of WhatsApp and we have used this as a way for tenants to send documents to us.
- 10.2.4 The team continue to work closely with other agencies including Citizens Advice Southend (CAS) to support tenants. Referrals to CAS have been particularly useful when looking at consent orders for tenants.
- 10.2.5 The team continue working closely with other teams including Tenancy Services and Support Services, and there has been a lot of success referring cases to the Support Services Team including numerous successful applications for Discretionary Housing Payments (DHPs) which have reduced or cleared arrears.

10.3 Evictions

- 10.3.1 Prior to the most recent lockdown, we had issued our first eviction warrants since March 2020. These evictions were put on hold due to the lockdown and will now not be enforced until the end of January 2021 at the earliest. Evictions are suspended over the Christmas period which runs until 11th January 2020 and the Bailiffs are required to give 14 days' notice of any eviction dates. Evictions will only take place in January if we are in Tier 1 or 2. Evictions cannot take place in Tier 3. We continue to try and engage with tenants that have evictions pending.

10.4 Changes to payments received from the DWP

- 10.4.1 In September we saw a change in the frequency payments are sent to us from the DWP. Where an Alternative Payment Arrangement (APA) is in place whereby the Housing Element of Universal Credit (HE) is paid directly to us, we now receive these payments at the same time the tenant receives their Universal Credit (UC) payment (i.e. we are now receiving these payments daily) rather than 4-weekly. Third Party Deductions for payment of rent arrears are still paid 4-weekly. This means that these payments are not delayed and is beneficial to the arrears position overall as well as on individual rent accounts.

11. **General Organisational update**

11.1 Rent collection

- 11.1.2 Throughout the crisis the Income Management Team and Tenancy Team have worked closely with the Support Services Team to maintain rent collection.

- 11.1.3 An analysis of the impact of COVID 19 on the arrears is as follows:
- 11.1.4
- | | |
|---------------------------------------------------------------|----------|
| • Current arrears as at the end of March 2020 (2019/2020) | £709,832 |
| • Arrears as at 6 December 2020 (end of November) (2020/2021) | £749,428 |
| • Overall increase in arrears since Covid 19 | £39,596 |
- 11.1.5 The above figures do not reflect the increase in rent this year, and to make a more meaningful comparison we should look at the arrears as a percentage of the collectable debit which shows the following position:
- 11.1.6
- Arrears as a percentage of collectable debit as at the end of March 2020 (2019/2020) was 2.17%
 - Arrears as a percentage of collectable debit as at the end of November 2020 (2020/2021) was 2.30%
- 11.1.7 This shows an increase of just 0.13% in arrears so far this year.
- 11.1.8 Since we have entered “lockdown” due to COVID 19 we, as expected, have seen an impact on arrears, interestingly however we have seen considerable fluctuations in the arrears throughout the last 8 months ranging from £782k to £715k, however since the DWP have now bought the APA UC payments in line with the payments made to the claimants, the arrears position over the last 2-3 months has become far more stable with arrears at the end of November being £749 k.
- 11.1.9 It is also interesting to note that overall the number of tenants in arrears since the beginning of COVID has reduced from 1728 in March 2020 to 1573 in November 2020. In addition, the number of tenants more than 7 weeks in arrears has only increased marginally from 278 cases in March 2020 to 287 in November 2020.
- 11.1.10 The teams are continuing to work hard and adapting to new ways of working to ensure that we are both supporting tenants and maximising the Council’s rental income stream throughout this pandemic.
- 11.1.11 We believe that the key to our success has been;
- Using all methods of communication available
 - A more supportive approach increasing engagement
 - Staying up to date with changing legislation so that we are ready to issue possession proceedings when warranted
 - Making use of APA and PTD payments form UC and TPD
 - Working closely with other teams and agencies
- 11.1.12 We understand that other organisations including Housing Associations and Local Authorities have seen their arrears as a percentage of collectable debit increase from 3.5% to 5%, whereas our arrears have remained as a percentage of collectable debit at 2.3% at the end of November 2020
- 11.1.13 It was also interesting to note from a very recent meeting of the Housing Quality Network (HQN) Rent Income Excellence Network meeting ,attended by 32 other

Accredited organisations from all around the country , that a majority of them were seeing their arrears going up or flat lining, with very few seeing reductions in arrears

11.1.14 It is very difficult to predict the full impact of COVID 19 particularly with the recent move to Tier 4, with no immediate signs of improvement for a number of months; however we will continue to closely monitor the situation and provide regular updates to both the Board and SBC.

11.2 Making home working work/ICT Update

11.2.3 The rollout of new laptops and the move to the Windows 10 operating system is continuing, and it is hoped that this will be completed by the end of the first quarter of 2021/22.

11.2.4 There are still issues with the F5 functionality, with connections dropping out, however as part of the overall infrastructure overhaul, the Council will be moving to a replacement in the new year.

11.2.5 Perhaps the biggest issue has been the supply of mobile phones, which have traditionally provided by the Council. We understand that this is due to a national shortage and is impacting on the Council as well.

11.2.6 Where staff only require basic functionality, we have managed to procure a number of phones to ensure that the service can be delivered, and importantly maintain contact with residents.

11.2.7 The positive relationship that is being built with our ICT Business Partner and other Managers across ICT continues to improve, with regular Service review meetings being introduced, improved service desk reporting with formal escalation procedure in place to ensure that issues raised by staff that affect day to day operations are dealt with effectively. The establishment of Digital Champions across the organisation, and Product Service Groups relating to specific systems that we utilise for example Northgate.

11.2.8 There is still a long way to go, however a solid foundation has been built, and once the basic infrastructure and hardware has been updated further improvements will be delivered.

11.3 Communications

11.3.1 South Essex Homes has been actively communicating with tenants, leaseholders and the wider Southend community since the start of the coronavirus pandemic in March 2020.

11.3.2 Since our first statement regarding the issue on Monday 16th March, we have posted 20 online news stories on the subject of COVID-19 and made them all easily accessible via a dedicated page linked from the homepage of our website.

11.3.3 The spring, summer and autumn issues of our quarterly residents' magazine Insight have each featured articles about our company's response to

coronavirus and highlighted the help available in Southend and nationally to anyone who may need it.

11.3.4 Throughout this time, we have been posting key messages on our Facebook and Twitter pages and retweeting key sources, sharing advice and details of the NHS and government guidelines relevant to our area.

11.3.5 Additionally, we have upped our internal communications with staff so they feel equipped to identify vulnerable residents and signpost them to available services or indeed so they know how to access help they may need personally.

11.3.6 Importantly the organisation has embraced the use of MS Teams and wherever possible all our meetings are arranged using Teams which has a number of benefits and is fully supported by the Council.

11.4 Policies and Procedures

11.4.1 SEH is aware that during unprecedented times such as the current Covid pandemic, we have to adapt how we do things. Changes in the law covered in the Coronavirus Act 2020 has meant that some of our usual procedures for example, how we escalate an arrears case or breach of tenancy to eviction, have had to adjust. This particularly affects many of our 'customer facing' policies and procedures. It is particularly important that our policies and procedures are accurate as should we face a legal challenge, the court will always look to identify whether we have followed our prescribed procedures.

11.4.2 Managers have in some cases developed new procedures to reflect current practice as well as working through other policies and procedures to ensure that they still remain valid. In addition to this, we have added the following caveat to all of our key policies and procedures, where the pandemic has amended how we deliver our services.

11.4.3 We monitor local and national guidance and legislation to ensure that the health and safety of our customers, staff and partners are paramount.

11.4.4 Our Policy and Procedures are regularly updated however there may be occasion where external factors (e.g. COVID-19) impact upon our compliance.

11.4.5 When such instances occur, it is important that we are responsive to these factors. This may mean that we need to amend our compliance with Policy and Procedures as we adapt our service delivery to be consistent with Government Guidance. We will always seek to do this in a way that does not disadvantage our customers and we will take every measure to ensure any disruption or alterations to service is kept to a minimum

11.5 Staff Wellbeing

11.5.1 The Covid-19 pandemic has meant that a large part of the workforce of South Essex Homes has been working from home since March 2020. This change in working pattern has brought into focus the importance of staff wellbeing, it is apparent that in certain situations staff are finding this arrangement difficult with particular problems around isolation and managing teams remotely.

- 11.5.2 The Communications Management Group (CMG) have been working to address some of these issues and find solutions that enable our workforce to remain as healthy and motivated as possible in the circumstances. The CMG group felt that there was not adequate support available to them through this difficult time and as a result a workshop on resilience was organised and attended by all CMG Managers, this was a success and is the first part of a series of initiatives aimed at providing this group with both the support they need and additional skills that will equip them for the future success of both themselves and the organisation.
- 11.5.3 Isolation among our workforce is considered to be a priority for the group to address and so towards the end of 2020 a series of initiatives were started to target this, a music club and a book club have both been started along with an afternoon coffee and chat session where staff can drop in and get to chat to colleagues they may not have seen in a while.
- 11.5.4 The CMG group will continue to explore avenues to address staff wellbeing and the group are currently engaged in developing both a buddying system and mentoring system. This area is still very much a work in progress and it is hoped over the coming months we will develop and initiate various schemes aimed at tackling these problems.
- 11.6 Recovery Planning
- 11.6.1 New Operating Model
- 11.6.2 The pandemic has certainly changed how we as a business operate, with a significant proportion of our service being delivered remotely and staff in many cases, working from their homes. Although these changes happened quickly and were almost 'forced upon us' as we needed to respond quickly to safeguard staff and residents, we have found that in many cases, there are real benefits and staff are able to work more efficiently without any detriment to our residents.
- 11.6.3 This does give us the opportunity to consider a refreshed operating model, particularly in terms of our office-based staff, and explore a more flexible approach. We want to ensure that we maximise on practices that have worked well, ensure residents have a positive and customer focused experience of our service while factoring in a safe work-life balance for staff. A small project group of staff is to be set up and meet in January where we will consider these factors – staff and resident feedback, how we can work efficiently and aspirationally and how to address any barriers. All recommendations arising from this group will come back to EMT and the Board.
- 11.6.6 Scrutiny Forum
- 11.6.7 The Residents' Scrutiny Forum has recently met with EMT. At this meeting the Forum presented its updated review of some of the resident engagement activities that we facilitate and encourage and EMT noted actions arising from this. In addition, an annual cycle was agreed that links the Scrutiny Forum in with our Service Managers, EMT, the Board and other residents. This will help the Forum capture views from all these parties when it is planning which service

areas it will review and also formalises how it will feed back on its recommendations and track progress against agreed actions.

- 11.6.8 The Forum is currently drafting its work plan for 2021/2022 and is considering reviewing a number of areas including specific parts of the Tenancy Service such as; effectiveness, clarity and tone of correspondence (both emails and letters sent out to residents), the difficult access process and the changes in working brought about by the Covid pandemic (for example, the revised sign up procedure).
- 11.6.9 The Residents' Scrutiny Forum is a vitally important 'cog' in our resident engagement structure and it is positive that these recent discussions have reinforced its role in providing an independent review of SEH' services, very much focusing on the customers experience.
- 11.6.10 This will be particularly important as the guidance and legislation from the Social Housing White Paper becomes available
- 11.6.11 Settling into the new routine
- 11.6.12 The SEH business plan constructed following the Board away day will need adjustment to reflect our new knowledge. It is our understanding that SBC is planning a review of their 2050 Ambition to accommodate their learning from this crisis and the SEH business plan is absolutely tied to the 2050 Ambition.
- 11.6.13 Given these two factors our business plan will require in depth review to accommodate;
- the potential to release office space
 - the requirement to upgrade technology and technological services
 - the need to develop and introduce a new fundamentally changed operating model
 - itemise a much improved contribution to environmental damage reduction through home working
 - improved or changed terms and conditions to increase flexibility within work patterns
 - a deeper and more engaged relationship with tenants
 - the impact of the revised 2050 Ambition
 - significant continuous improvement plans/targets set to address the likely new financial attrition
- 11.6.14 The crisis is not over and the impact will be felt for years to come. SEH will continue to respond accordingly and to learn the lessons offered up by the crisis as it unfolds.

South Essex Homes Limited

Report of Head of Corporate Resources and Income Management (Company Secretary)

to

The Board

on

21st January 2021

Agenda
Item No.

8

Report prepared by Simon Putt
Tel: 01702 212624

Governance and Stewardship

A Public Agenda Item

1 Purpose of Report

1.1 To obtain agreement from the Board on governance related issues.

2 Recommendations

2.1 The Board are recommended;

2.1.1 To agree the recommendation of the Board Selection Panel to appoint Carly Volke to the Board of South Essex Homes for a term of office of 3 years to run until 21 January 2024.

2.1.2 To note the annual analysis of Board Member attendance.

2.1.3 To note the Chair's Action agreed by the Chair and Vice Chair in accordance with the Code of Governance for endorsement of;

Submission of the Management Fee bid for 2021/2022 to Southend Borough Council.

2.1.4 To note the completion of the negotiations and successful approval of the Council's s27 application to Government for authorisation of our new Partnership Agreement and the accompanying Member Agreement.

3 Background

3.1 Board Appointments

3.1.1 Board members will be aware that Barbara Lambert's term as a Tenant Board member came to an end on 25 July 2020.

- 3.1.2 An advert was placed in Insight magazine which was sent to all residents in May, with a closing date of 26 June 2020. Unfortunately, there were no applications. Therefore, the role was re-advertised in the Summer edition of Insight, which was sent out in August 2020. While this generated a number of enquiries, only two applications were received. Unfortunately, neither prospective candidate was considered suitable to progress for interview.
- 3.1.3 The position was advertised again in Insight magazine, on the SEH website and the Southend Tenants and Residents Federation website and social media, with a closing date of the 30th November 2020. Again, only two applications were received and a shortlisting meeting was arranged for 10th December 2020, in accordance with the Board Member Recruitment and Selection Policy and one candidate was selected for interview, which took place on the 5th January 2021.
- 3.1.4 The Board Member Selection Panel unanimously agreed that Carly Volke be recommended for appointment to the Board of South Essex Homes for a term of office of three years until 21st January 2024.
- 3.2 Board Member Attendants 2020/2021
- 3.2.1 In accordance with Article 15.1.8 of the Articles of Association, each Board member is expected to attend a minimum 60% of Board/Committee meetings during the year
- 3.2.2 Board Attendance for 2020/2021 for the year to date is 94% which is significantly above the minimum criteria.
- 3.3 Chair's Action
- 3.3.1 The Chair of the Board and the Vice Chair of the Board have agreed one Chair's Action for the period 27th September 2020 to 31st December 2020.
- 3.3.2 The Financial Services Manager has been working with EMT and Managers across the business throughout November and early December to develop a budget that meets the organisation's ongoing needs for next year, including funding both new ongoing expenditure and one-off expenditure.
- 3.3.3 The Council required us to produce the Management Fee bid for 2021/2022 during the week commencing the 14th December so that they can include our Management Fee bid in the January Cabinet report, and therefore waiting until the January Board meeting would have been too late.
- 3.3.4 Therefore in accordance with section 5.5 of the Code of Governance, in order to ensure there was awareness of, and support for the approach being taken on the Management Fee bid, I asked the Chair and Vice Chair for their comments and endorsement to approach the Council with the proposed bid.
- 3.3.5 The report detailing the proposed Management Fee bid for 2021/2022 can be found at Agenda Item 9.

3.4 Partnership and Member Agreement

3.4.1 Negotiation has been lengthy however, the outcome is extremely positive, and the documents will take SEH and SEPS through the coming years confident that both businesses are in a position to thrive. They will also ensure SBC and SEH/SEPS help each other to achieve mutual goals. The real issue has always been to ensure TECKAL rules are solidly applied. SBC demand absolute confidence that they can award contracts to both SEPS and SEH without external competition, this contract demonstrates that the rules and guidelines to allow this, are met whilst further allowing sufficient flexibility to enable both companies to trade in open markets.

3.4.2 The date of contract start is set at 1 January 2021 and the first five-year tranche concludes 31 December 2025.

4 **Equality and Diversity**

4.1 All equality and diversity issues identified from the proposals contained in this report have been considered and are in accordance with the South Essex Homes' Equality and Diversity Policy.

5 **Risk**

5.1 Any risks identified from the proposals contained in this report have been considered by the Executive Management Team. The Board have identified risks associated with the governance of the organisation within statutory regulations.

6 **Financial Implications**

6.1 The Management Fee is agreed annually in conjunction with the Board and Southend on Sea Borough Council. The outcome of this negotiation will inform the budgets for 2021/2022. Funding of organisation expenditure requirements in 2021/2022 will depend on the position reached as this will alter available revenue and the ability to deliver a balanced budget.

7 **Resident Consultation**

7.1 Not applicable for this report.

8 **Background Papers**

8.1 The Partnership Agreement and accompanying Member Agreement between Southend Borough Council, South Essex Homes and South Essex Property Services.

9 **Appendices**

9.1 None

South Essex Homes Limited

Report of Chief Executive/Financial Service Manager
To
The Board
On
21st January 2021

Agenda
Item No.

9

Report prepared by Daniel Lyons
Tel: 07970 796218

**Company Assurance Report as at 30th November 2020
including draft Management Fee bid and Budget 2021/2022**

1 Purpose of Report

- 1.1 To provide the Board with a high level statement of assurances relating to the financial and operational performance of the company.

2 Recommendations

- 2.1 That the Board are recommended to:
- 2.1.1 Note the update provided on financial information as at November 2020.
- 2.1.2 Note the Key Performance Indicators position as at November 2020.
- 2.1.3 Note the Management Fee for 2021/2022 agreed by Southend Borough Council
- 2.1.4 Agree the Operating Budget for 2021/2022.

3 Financial Update

3.1 Introduction

- 3.2 This report sets out the actual expenditure on the operating budget and revenue repairs budget to 30th November 2020. At the point of this report being prepared the financial position at the end of December 2020 was still being finalised but the Financial Services Manager will indicate any significant movement at the meeting.

3.3 Expenditure for 2020/2021

| Description | Budget for year £000 | Budget to 30 th Nov £000 | Actuals at 30 th Nov £000 | Variance To date £000 |
|-------------------------|-------------------------|----------------------------------------|--------------------------------------------|-----------------------------|
| Management Fee Income | 6,216 | 4,292 | 4,336 | 44 |
| Service Charge Income | 3,976 | 2,630 | 2,638 | 8 |
| Careline & Other Income | 755 | 548 | 513 | (35) |

| | | | | |
|----------------------------|----------|-----------|----------------|------------|
| Commercial Income | 389 | 193 | 197 | 4 |
| Operating costs & Interest | (11,328) | (7,600) | (7,174) | 426 |
| Profit / (Loss) | 8 | 63 | 510 | 447 |

| Description | Budget for year £000 | Budget to 31 st December £000 | Actuals at 31 st December £000 | Variance to date £000 |
|------------------------|----------------------|------------------------------------------|-------------------------------------------|-----------------------|
| Revenue Repairs Budget | 5,658 | 3,772 | 3,347 | 426 |
| Capital Programme | 6,562 | 1,312 | 960 | 352 |

3.4 The Operating Budget

3.4.1 The main variances to date on the Operating Budget are detailed below;

3.4.2 The Premises area of the budget is underspent by around £60k as at the end of December. A large part of this underspend is due to the Grounds Maintenance SLA costs being overbudgeted for 2020/2021. It was anticipated that the SLA for Grounds Maintenance would increase for 2020/3021 but this has not taken effect and the SLA has remained at the previous year's level.

3.4.3 The Utilities budget is currently underspent and it is anticipated that this area will be underspent at year end. Any underspend is reflected in future years' service charge to tenants and leaseholders.

3.4.4 The Legal and Insurance budget is down by around £19k on budget. Due to the COVID-19 pandemic we would expect to see this due to the suspension of court activities and the guidance to only pursue evictions in urgent circumstances.

3.4.5 Mileage costs for staff are significantly down against budget contributing to a lower than expected transport cost at this point in the year. With staff working from home and travel for meetings and appointments reduced significantly this is not a surprise and a trend we will continue to see whilst staff continue to work from home.

3.4.6 The ICT costs are also lower than expected at this point in the year. There are several projects underway at the moment that will see this spend increase including the development of a new website and renewal of laptops.

3.5 Revenue Repairs

3.5.1 The Revenue Repairs Budget is underspent by £426k to date which is largely due to the suspension of works during the COVID-19 pandemic.

3.5.2 The Responsive Repairs and Voids areas are underspent by £11k and £72K respectively. As these are price per property (PPP) contract amounts we would not expect these to significantly vary from budget and contractual amount have continued to be paid to Morgan Sindall during the suspension.

3.5.3 All planned areas of activity are currently significantly underspent, we should now see spend in these areas increase as we go through the last quarter of the year. However, it is likely we will still be significantly underspent across the repairs budget. Current forecast anticipates an under spend of approximately £200k.

3.6 Capital Programme

3.6.1 There is an underspend of £273k on the Capital Programme to date. This is predominantly due to the delay in works during the COVID-19 pandemic. The majority of projects are now either underway or in the tender stage. A number of projects have been deferred due to the pandemic and these are reflected in a reduced working budget.

3.6.2 It is anticipated that the remaining revised budget will be spent by March 2021, although this is dependent on how further lockdowns and COVID-19 transmission affects the ability of the contactors to carry out works.

4 **Key Performance Indicator Exceptions**

4.1 The Performance Report for the period April 2020 to November 2020 is shown at **Appendix 1**.

4.2 The following Key Performance Indicators have either missed the target for the month of November or are at risk of missing the annual target at year end.

4.3 SEH KP7 – Void turnaround time – We have seen improvements in the monthly void turnaround figure since starting to re-let properties again back in August, this has meant that November was the first month in 2020/2021 where we were able to meet our target of 17 days.. This has been a challenging time for the team as they are catching up on a backlog of lettings that accrued during the earlier lockdown period. We have noted that in a number of cases, residents have been unable to attend viewings or sign up for the tenancy as quickly as we would normally require because they have been self-isolating or because they are in a vulnerable category. We have tried to take a flexible approach to accommodate these vulnerable residents which has sometimes delayed the reletting process by a few days.

4.4 SEH KP17 – Gas safety certificates – At the 30th November, 6 properties (from 4,699 on the gas service programme) had exceeded their service anniversary. All of these are as a result of difficult access and ongoing difficulties caused by the COVID-19 pandemic. The Tenancy Team are working to reduce these numbers as quickly as possible and are working with tenants to find suitable appointments for Aarons to visit. Where access for the gas safety check continues to be problematic the Tenancy Team will ensure all relevant steps are taken (including legal action if necessary) to have a valid gas safety certificate in place.

- 4.5 SEH KP19 – % Non-decent council homes - After the suspension of works due to COVID-19 we are now seeing works resume and progress be made towards ensuring homes meet the decent homes standard. It is currently projected that we would reach 95.7% Decent stock by 31st of March 2021. This figure has been reached following discussion with all relevant contractors as to what they are able to deliver in the time remaining. There are 2 outstanding areas of elements that will make up the failing 4.3%, which are rewires and roof works with slightly more electrical works left not completed. As well as COVID-19 restrictions, we have the normal issues with no access for electrical rewires, as well as the slowdown on roof works during the winter months, which may hamper our efforts to complete the works projected.
- 4.6 SEH KP24 – Working days lost due to sickness absence – This indicator for 2020/2021 has been greatly impacted by COVID-19. The working days lost per FTE up to the end of October was 6.88 days, this gives an expected year end position of around 11.8 days. For this reason, this month we also include an indicator that measures the days lost per FTE but with COVID-19 related absence excluded. This gives us a days per FTE figure of 3.52 days to the end of October. This measure gives us an annual forecast of around 6 days per FTE. These figures highlight the impact of COVID-19 on this indicator with figures almost double those without COVID-19 included.
- 4.7 SEH KP12a – Responsive contractor repairs completed in target times - The slight deviation from target this month is entirely due to 45 routine jobs from a total of 954 completed outside their target dates. There were an increased number of jobs processed due to a backlog of works from lockdown and compounded by additional storm damage works to roofs and guttering.

5 Management Fee Bid & Budget 2021/2022

- 5.1 The Company's operating budget is supported by several sources of income, with the main fees supporting South Essex Homes operating budget being the Management Fee and the Service Charge Income. Additionally, the Company supplements and incorporates within its operating budget approximately £545k of Careline Income and from its other external work income, approximately £206k.
- 5.2 **Appendix 2** sets out the agreed Management Fee bid to Southend Borough Council for 2021/2022, the proposed Repairs Fee bid for 2021/2022 as well as the proposed increases to tenants' Service Charges and Heating Charges.
- 5.3 **Appendix 3** sets out the proposed operating budget for 2021/2022 and details all the changes that are required to move from the 2020/2021 budget to the 2021/2022 budget.
- 5.4 During December 2020 negotiations took place with Officers from Southend Borough Council to agree the Management Fee for 2021/2022. Although not all requests were met the Council have given considerable ground in a difficult economic situation. The importance of several key areas of work undertaken by South Essex Homes has been recognised and the Management Fee of South Essex Homes has been increased to recognise the following key areas;

- 5.5 A substantial pressure that South Essex Homes faces every year is the annual increments to staff that are tied to the local government terms and conditions. For 2021/2022 these annual increments to pay amount to £36k which the Council have agreed to fund as additional funds to the Management Fee.
- 5.6 Southend Borough Council have in previous years agreed that any cost increases associated with SLAs would be met through increased Management Fees as well as any additional expenditure which is incurred as a result of a Southend Borough Council decision or legislative change. SLA Inflationary Increases for 2021/2022 amount to an estimated £19k.
- 5.7 Since the tragedy of the Grenfell Tower fire on 14th June 2017, fire safety has been the focus of many organisations that have high rise residential blocks of flats within its asset portfolio. Southend Borough Council has thirteen high rise residential blocks managed by South Essex Homes. South Essex Homes has been very pro-active in its approach to fire safety with an ongoing programme of improvements to the structure of the blocks as well as investigating other ways and means to improve fire safety within the high-rise blocks. However, there is a need for South Essex Homes to have a dedicated resource to manage, coordinate fire safety including liaison with Essex County Fire Rescue Service and carry out fire safety related investigations. The Board of South Essex Homes agreed to fund the post as a pilot for 18 months and it has proved to be invaluable and with the Fire Safety Act about to become law, this need becomes even more imperative. The Council have now agreed to fund this post via the Management fee.
- 5.8 We have identified increasing difficulties, which has been compounded by the pandemic, in gaining access into tenants' properties to carry out essential works. The Grenfell disaster was a stark reminder of why it is essential to maintain safety standards in the buildings that we manage. The resulting Social Housing White Paper and newly created Building Safety Regulator serves to reinforce this message. SEH and the Council are statutorily obligated to undertake certain health and safety checks such as gas servicing, electricity tests, fire door and sprinkler system servicing as well as maintaining the asset by rewiring properties at least every 30 years and fitting window restrictors. Further, SEH is planning to install an annunciation system in one of our high-rise blocks this year. Should this prove successful then we will look to roll this out across the borough and these systems would all require annual servicing. Not accessing the homes that we manage to carry out essential works and services presents a real risk to SEH and the Council. The Tenancy Conditions do stipulate that tenants must allow access for SEH or our agents to carry out this work, however in reality it can be problematic to gain entry in some cases. We are able to use warrants of entry to enable servicing of gas appliances but in other extreme cases, injunctions can be necessary. It is clear that we need to gain access into tenants' homes for a wide range of reasons. Having in place a system to address cases where access has proven difficult is key to delivering on these vital regulatory responsibilities. It makes good sense to 'join up' as many of these activities as possible so we are making the most of all opportunities to enter a property which has been identified as difficult to access. A designated officer to oversee the whole issue of difficult access, communicate across all teams involved, coordinate joint visits wherever possible, maximise existing contact and utilise appropriate legal powers would provide an extremely beneficial focus on difficult access visits. The Council have

agreed to fund the post of Difficult Access Coordinator and to review the effectiveness of this new position in 12 months' time.

- 5.9 The Covid pandemic has placed additional pressures on services and we have witnessed increased levels of ASB as well as the need to further support our more vulnerable residents. Between March and July 2019, we received 59 reports of anti-social behaviour compared with the 130 cases during the same period in 2020. During the pandemic, the Council has had to house people with more entrenched needs such as street homeless. However, even prior to the pandemic, South Essex Homes (SEH) was aware of increasingly complex individuals with higher support needs and often more challenging behaviour moving into the homes that we manage. In addition, the recent Social Housing White Paper strongly emphasises the need to deal with ASB effectively and in line with residents' expectations. As a social housing organisation, SEH always takes a proactive approach to supporting tenants. We work closely with Social Care and the Mental Health Teams as well as the Police and can demonstrate many examples of these effective partnerships helping sustain tenancies. However, to be effective, we must also be properly resourcing enforcement action (not just possession action) as we recognise our responsibility to the wider and often vulnerable tenant community who may be suffering as a result of unacceptable behaviour from specific individuals. The Council have agreed to fund the post of Complex Needs Support Officer and to review the effectiveness of this new position in 12 months' time.
- 5.10 During 2019/2020 it was agreed by Southend Borough Council that they would fund additional temporary resource to assist in the increased hostel provision in the borough. The Council has agreed to continue to fund these posts and then review again each year during the budget setting stage to assess the provision of hostel spaces at that time.
- 5.11 Further to the support provided by the Support Services Assistants discussed above there was also an ongoing need for regular professional supervision that will provide a framework of PIE (Psychologically Informed Environment) to support staff and residents. This work would be carried out by external partners. This would be reviewed annually with the intention to train members within the team to help sustain the initiative dependent on occupancy levels. Again, the Council has agreed to fund this for a further 12 months with a review at the next budget setting stage.
- 5.12 In addition to these additional requirements for 2021/2022 there are also a number of budget changes that South Essex Homes will fund directly through efficient use of resources in year. A few of the major changes are listed below;
- 5.13 Increased mobile phone/tablet usage - £11k – The emergence of remote working across the organisation has inevitably meant that the use of mobile phones and tablets to conduct everyday work has increased significantly. There has also been some difficulty this year in the Council being able to procure the required number of handsets for us and so we have needed to look at alternate routes for obtaining handsets. These 2 factors have resulted in both increased costs of mobile phone usage and increased costs associated with obtaining new or replacement handsets.

- 5.14 Council Tax on empty properties - £32k - The last few years has seen increasing costs associated with Council Tax on void properties, this is in part due to changing requirements to pay Council Tax sooner than would have been the case previously, but also due to properties being held void for longer periods due to Council decisions (such as the Queensway development).
- 5.15 Tablets for frontline working - £20k – To enable front line staff to better serve the needs of the tenants at point of contact on site these staff will require the use of tablets.
- 5.16 Tenancy Conditions Review - £20k – The Council’s tenancy conditions are now due for an update, these funds will enable full consultation with residents over any proposed changes to the conditions as well as funds to develop and write the new set of conditions.
- 5.17 Remote Working Equipment - £20k – The COVID pandemic has led to increasing remote working for staff, this model requires the organisation to consider the ways in which we can support our employees so that the working at home experience is as good as we can make it. This will inevitably lead to some staff requiring furniture or equipment that would be better suited to this need.
- 5.18 Civica Frontline Project - £30k – In order to better deliver services from frontline staff it is important that frontline staff have the ability to work remotely when out in the borough. These funds would enable the setup of this system including the purchase of Civica 360 software and the purchase of devices that the teams could use remotely to better work with tenants.

6 Service and Heating Charge Increases 2021/2022

- 6.1 The Service charges and Heating charges are based on actual costs incurred by South Essex Homes and all income collected is paid to South Essex Homes in addition to the Management Fee in order to deliver services.
- 6.2 All the elements of the service charges have been considered and the proposal is to increase service charges by an average of 2.52% for 2021/2022. The main reasons for this increase relate to increases in employee costs and general inflation across contracts.
- 6.3 The Heating Charge levied on Sheltered and Hostel tenants for the provision of heating in individual properties is always based on actual usage and actual costs for the year from November to October preceding the year the charge is levied in. For the 2021/2022 heating charge the costs being charged are for the period November 2019 to October 2020. For 2021/2022 it is proposed that the charge in Sheltered Housing is increased by an average of around 10%, based on the previous actual costs.

7 Diversity and Equality

- 7.1 There are no direct Equality and Diversity implications arising from this report.

8 Financial Implications

8.1 The financial implications are incorporated in the body of the report.

9 Resident Consultation

9.1 Residents are indirectly involved in budgetary control as they are involved in reviewing our performance on a regular basis.

10 Background Papers

10.1 None

11 Appendices

11.1 Appendix 1 – Key Performance Indicator Report

11.2 Appendix 2 – Agreed Management Fee 2021/2022

11.3 Appendix 3 – Budget Changes Summary 2021/2022

November 2020 Performance Report

November 2020 Performance report



| PI Status | | Long Term Trends | | Short Term Trends | |
|-----------|-----------|------------------|---------------|-------------------|---------------|
| | Alert | | Improving | | Improving |
| | Warning | | No Change | | No Change |
| | OK | | Getting Worse | | Getting Worse |
| | Unknown | | | | |
| | Data Only | | | | |

| Code | Short Name | 2019/20 | October 2020 | November 2020 | 2020/21 | Long Term Trend Arrow | Current Target | Traffic Light Icon | Latest Note |
|----------|---------------------------------------|---------|--------------|---------------|---------|-----------------------|----------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Value | Value | Value | Value | | | | |
| SEH KP 4 | Collection rate for rents | 99.45% | 99.97% | 100.54% | 99.94% | | 98.60% | | Although there is always monthly fluctuation in rent collection figures, in November the rent collection was above the target ,and the overall year to date figure is 99.94% this is above the target of 98.60%. There has been no reduction in recovery activity, and every efforts has been made by the frontline teams in encouraging and supporting residents throughout the pandemic, and enabling them to pay their rent. Nevertheless we do still need to be mindful that the collection rate could be impacted by COVID 19 over the forth coming months, and of course the continuing impact of Welfare reform. |
| SEH KP 5 | Current rent arrears as % of rent due | 2.17% | 2.35% | 2.30% | 2.30% | | 2.70% | | This indicator represents the current arrears as a percentage of the total rent collectable for the year. I am pleased to report that we are on target this month and the teams are continuing to work hard and adapting to |

| Code | Short Name | 2019/20 | October 2020 | November 2020 | 2020/21 | Long Term Trend Arrow | Current Target | Traffic Light Icon | Latest Note |
|----------------|---------------------------------------------------------|----------|--------------|---------------|----------|-----------------------|----------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Value | Value | Value | Value | | | | |
| | | | | | | | | | new ways of working to ensure that we are both supporting tenants and maximising the Councils rental income stream throughout this pandemic. It is too early to predict the full impact of COVID 19 , because we have yet to see the impact of the furlough scheme coming to an end on the 31st March 2021, together with the second spike and the continued rollout of Universal credit. Undoubtedly the level of arrears is likely to continue to increase however we will continue to closely monitor the situation, and provide regular updates. |
| SEH KP 7 | Void turnaround time | 20.2 | 21.5 | 13.3 | 59.1 | ↑ | 17.0 | 🟢 | This month has seen an improvement in properties being returned and also sign ups being carried out within time. |
| SEH KP12a | Responsive contractor repairs completed in target times | 88.22% | 96.32% | 97.35% | 98.02% | ↑ | 98% | 🟡 | |
| SEH KP12b | Gas contractor repairs completed in target times | 99.95% | 99.75% | 100.00% | 99.95% | ↑ | 100% | 🟢 | |
| SEH KP17 | Gas safety certificates | 99.97% | 99.64% | 99.87% | 99.87% | ↓ | 100.00% | 🔴 | |
| SEH KP19 | % non-decent council homes | 2.3% | 12.3% | 9.3% | 9.3% | ↑ | 5.7% | 🔴 | Works underway and validations ongoing |
| SEH KP25 (F2) | Total Complaints responded | 147 | | | 27 | ↓ | | 📊 | |
| SEH Local R13 | Current rent arrears (in cash) | £709,832 | £766,766 | £749,428 | £749,428 | ↓ | | 📊 | This is the base figure used in the calculation of KP5, so please see comments under this indicator above |
| SEH Local R13a | Former tenants arrears | £420,499 | £426,136 | £432,890 | £432,890 | ↓ | | 📊 | |
| SEH Local R14 | FTAS as a percentage of debit | 1.04% | 1.05% | 1.08% | 1.06% | ↓ | 1.20% | 🟢 | The Former Tenant Arrears is a constantly moving figure in that any termination, be it an eviction or a tenant termination their tenancy voluntarily will create a former tenant debt, therefore it is quite difficult to |

| Code | Short Name | 2019/20 | October 2020 | November 2020 | 2020/21 | Long Term Trend Arrow | Current Target | Traffic Light Icon | Latest Note |
|--------------|----------------------------------------------|---------|--------------|---------------|---------|-----------------------|----------------|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Value | Value | Value | Value | | | | |
| | | | | | | | | | predict the levels of new debt. Nevertheless we are currently achieving the target this year, and there is no reason at this stage in the year why we shouldn't achieve the target. Write offs total £62,262 year to date , which as a percentage of the collectable debit is 0.28% . |
| SEH KP24 | Working Days Lost Due to Sickness Absence | 9.33 | 0.76 | | 6.88 | ↑ | 0.75 | ⚠ | See report |
| SEH KP 24 C | Sickness days lost per FTE (excluding Covid) | | 0.63 | | 3.52 | ↓ | 0.75 | ✅ | See report |
| SEH Local V8 | Percentage of property void & relettable | 1.27% | 2.01% | 1.96% | 1.96% | ↓ | | 📊 | |

Management fee Bid 2021/22

| | £'000 | |
|-------------------------------------------------------------------------------------|--------------|--------|
| 2020/21 Core Management Fee | 6,160 | |
| Less: Additions to be agreed annually | (113) | |
| Pay Pressures | | |
| Pay Increments | 36 | |
| Nationally Agreed Cost of Living | 0 | |
| SLA Inflationary Increases (2%) | 19 | |
| Sub Total | 6,102 | |
| Estate Services, Sheltered and Careline pay increases absorbed through charging | | |
| 2021/22 Core Management Fee Bid with inflationary increases | 6,102 | -0.94% |
| Proposed service improvements - continuing additions to the Management Fee | | |
| Fire Safety Manager | 57 | |
| Difficult Access Coordinator (Pilot - review in 12 months) | 32 | |
| Complex Needs Support officer (Pilot - review in 12 months) | 32 | |
| 2021/22 Core Management Fee Bid with continuing additions | 6,223 | 1.02% |
| Proposed one off additions to the Management Fee | | |
| Support Services Assistants to Support Increased Hostel Provision (Annually Review) | 90 | |
| Professional Support for Residents under PIE framework (Annually Review) | 23 | |
| 2021/22 Management Fee Bid with one off funding | 6,336 | 2.86% |

Repairs Budget Bid 2020/21

| | £'000 | |
|----------------------------------------------------|--------------|-------|
| 2020/21 Repairs Fee | 5,657 | |
| Proposed changes to the Repairs Fee | | |
| Planned and Cyclical Repairs Budget Adjustments | 67 | |
| Responsive Repairs and Voids Budget Adjustments | (60) | |
| Sub Total | 5,664 | |
| Proposed one off increases to the Repairs Budget | | |
| 2021/22 Repairs Fee Bid after one off items | 5,664 | 0.13% |

Service Charges 2020/21

| | |
|--------------------------------------------|--------------|
| 2020/21 Total Tenant Weekly Service Charge | 65,685 |
| 2021/22 Total Tenant Weekly Service Charge | 67,339 |
| Average Service Charge Increase | 2.52% |

Heating Charges 2020/21

| | |
|--------------------------------------------------|---------------|
| 2020/21 Total Weekly Sheltered Heating Charge | 4,627 |
| 2021/22 Total Weekly Sheltered Heating Charge | 5,108 |
| Average Sheltered Heating Charge Increase | 10.39% |
| 2020/21 Total Weekly Hostels Heating Charge | 737 |
| 2021/22 Total Weekly Hostels Heating Charge | 786 |
| Average Hostels Heating Charge Increase | 6.67% |

Summary of Expenditure Budget Changes 2020/21 to 2021/22

| | Expenditure | Income | Surplus / (Deficit) |
|-------------------------------------------------------------------------------|----------------------|------------------------|---------------------|
| 2020/21 Budget | 11,002,505.71 | (11,011,553.82) | 9,048.11 |
| Removal of one off Items from Budget | (212,235.48) | 217,000.00 | (4,764.52) |
| 2020/21 Budget less one off items | 10,790,270.23 | (10,794,553.82) | 4,283.59 |
| Agreed changes to Establishment during 20/21 | (53,852.78) | 0.00 | 53,852.78 |
| Increase in bank Charges due to Careline DD process | 11,930.00 | 0.00 | (11,930.00) |
| Increase in Property Services Subscription Costs | 6,130.00 | 0.00 | (6,130.00) |
| Sheltered Broadband Charges removed from previous budget in error | 10,400.00 | 0.00 | (10,400.00) |
| Additional cost of careline telephone lines installed | 2,500.00 | 0.00 | (2,500.00) |
| Additional costs of vehicles obtained in year | 3,170.05 | 0.00 | (3,170.05) |
| Removal of Grounds Maintenance SLA increase applied in previous budget | (48,330.00) | 0.00 | 48,330.00 |
| Reduction in Careline Income | 0.00 | 51,535.00 | (51,535.00) |
| 20/21 Change in Management Fee for additional Cost of living rise over budget | 0.00 | (47,809.00) | 47,809.00 |
| Reduction in Interest Income due to challenging markets | 0.00 | 20,000.00 | (20,000.00) |
| Additional SEPS Recharge for Staff time | 0.00 | (16,000.00) | 16,000.00 |
| 2020/21 Budget after in year changes | 10,722,217.50 | (10,786,827.82) | 64,610.31 |
| Inflation requested from SBC on Management Fee | 0.00 | (44,377.24) | 44,377.24 |
| Changes to Service Charges and Heating Charges | 0.00 | (141,063.72) | 141,063.72 |
| Increments on staff pay | 44,584.69 | 0.00 | (44,584.69) |
| Adjust for Service fee on property | 13.13 | 0.00 | (13.13) |
| Increased cost of telephone lines | 2,300.00 | 0.00 | (2,300.00) |
| Changes in Utility prices | (57,526.80) | 0.00 | 57,526.80 |
| Increase in Allpay Transaction fees | 6,000.00 | 0.00 | (6,000.00) |
| Other small increases | 1,665.00 | 0.00 | (1,665.00) |
| Inflation on SLA's | 19,061.63 | 0.00 | (19,061.63) |
| 2021/22 Inflated Budget | 10,738,315.15 | (10,972,268.77) | 233,953.62 |
| Window Cleaning for Tower Blocks included in repairs budget | (15,500.00) | 0.00 | 15,500.00 |
| Adjust for actual cost of insurance | (3,833.00) | 0.00 | 3,833.00 |
| Subscriptions and Publications no longer needed | (14,318.60) | 0.00 | 14,318.60 |
| Reduction in budget for DBS checks | (6,000.00) | 0.00 | 6,000.00 |
| Rent Rewards App | (1,860.00) | 0.00 | 1,860.00 |
| Storage and removals for Property Services | (2,250.00) | 0.00 | 2,250.00 |
| Adjust cost of Photobook | (2,200.00) | 0.00 | 2,200.00 |
| 2021/22 Budget after savings produced | 10,692,353.55 | (10,972,268.77) | 279,915.22 |
| Management Fee Requests from SBC | 0.00 | (131,618.37) | 131,618.37 |
| Increase usgae of Mobile Phones / Tablets during remote working | 11,310.00 | 0.00 | (11,310.00) |
| Increases in on going software costs | 12,640.66 | 0.00 | (12,640.66) |
| Simplyhealth for Hotsed Staff | 6,000.00 | 0.00 | (6,000.00) |
| Council Tax on Void Properties (Queensway etc) | 32,000.00 | 0.00 | (32,000.00) |
| CCTV Downloads increase | 1,000.00 | 0.00 | (1,000.00) |
| Difficult Access Coordinator | 31,647.91 | 0.00 | (31,647.91) |
| Complex Needs Support Officer | 31,647.91 | 0.00 | (31,647.91) |
| Fire Safety Manager | 57,355.07 | 0.00 | (57,355.07) |
| 0.5 FTE Sheltered Housing officer | 12,345.49 | 0.00 | (12,345.49) |
| Increased costs of rubbish / bulk collection and tipping | 25,000.00 | 0.00 | (25,000.00) |
| Additional Cleaning materials needed | 5,000.00 | 0.00 | (5,000.00) |
| Sustainability signage on Paladins | 10,000.00 | 0.00 | (10,000.00) |
| 2021/22 Budget After New Ongoing costs | 10,928,300.59 | (11,103,887.14) | 175,586.55 |
| Additional One off management fee request to SBC | 0.00 | (112,936.00) | 112,936.00 |
| 4 x Support Services Assistants | 90,136.00 | 0.00 | (90,136.00) |
| Professional PIE Support | 22,800.00 | 0.00 | (22,800.00) |
| Remote Working Furniture and Equipment | 20,000.00 | 0.00 | (20,000.00) |
| Tenancy Conditions Review | 20,000.00 | 0.00 | (20,000.00) |
| Civica 360 for frontline staff | 30,000.00 | 0.00 | (30,000.00) |
| Tablet purchases for frontline staff | 20,000.00 | 0.00 | (20,000.00) |
| 2021/22 Budget After One Off Costs | 11,131,236.59 | (11,216,823.14) | 85,586.55 |

South Essex Homes Limited

Executive Director
to

The Board

on

21 January 2021

Report prepared by Mario Ambrose

Health and Safety Update

A Public Agenda Item

1 Purpose of Report

- 1.1 To provide the Board with an update of matters relating to Health and Safety within the Company.

2 Recommendation

- 2.1 That the regular progress update provided by the Regulation Compliance Officer is noted.

3 Background

- 3.1 Details of Health and Safety progress up to 30th December 2020 are provided in the Corporate Compliance Position Statement which can be found in **Appendix 1**. We have made specific note of the impact that the Covid-19 pandemic has had on all areas of compliance. Activity has continued wherever possible and following completion of robust risk assessments, adjustments have been made to ensure safe working practice to minimise risks for residents, contractors and staff.
- 3.2 Due to the Covid-19 pandemic access to properties where residents are shielding due to vulnerability or are self-isolating has proven to be extremely challenging, particularly with regard to delivering the annual gas servicing programme. Disappointingly, this means that we do not now have 100% properties with a current gas CP12 certificate
- 3.3 However, we are taking all steps to mitigate this risk and working proactively across our teams to communicate with tenants and complete all gas services in a timely way.
- 3.4 The new national lockdown may affect this approach, but fortunately unlike the previous lockdown in the spring when the full gas servicing regime was just about to start, we are in the period when the number of scheduled service visits are relatively small. We will act in accordance with Government guidelines, to ensure the safety of residents and the

contractors.

- 3.5 We have reviewed the frequency with which we carry out Fire Risk Assessments at the various property types and have decided to carry these out on a six-monthly cycle at the high rise and medium rise blocks, and the temporary accommodation. Other buildings will continue to be inspected and assessed on an annual basis.

4 Diversity and Equal Opportunities

- 4.1 Health and Safety legislation is equality impact assessed at source.

5 Risk

- 5.1 This report sets out the regular work of the Company's Regulation Compliance Officer, Fire Safety Manager and colleagues across the organisation and serves to ensure our compliance with the Health and Safety at Work Act 1974 which mitigates the risk of prosecution of the Company, employees and Board.

6 Financial Implications

- 6.1 The reporting and monitoring process will not attract any additional costs.

7 Background Papers

- 7.1 None

8 Appendices

- 8.1 Appendix 1 – Health and Safety Update until 30th December 2020

Corporate Compliance Position Statement

| Key Regulations | List of Control measures South Essex Homes has in place in order to comply with Health and Safety Legislation. |
|--------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Regulatory Reform (Fire Safety) Order 2005</p> | <p>The current year's annual FRAs are currently all complete, with all properties, including those considered high-risk, assessed within the last 12 months. Officers are working to a timetable which programmes the FRAs to be completed within their twelve-month anniversary.</p> <p>Progress for 2020 visits and reports:</p> <ul style="list-style-type: none"> • *Tower Blocks 13 out of 13 completed (100%) • *Sheltered Housing Scheme 20 out of 20 completed (100%) • *Medium Rise Blocks 4 out of 4 completed (100%) • *Hostels 11 out of 11 completed (100%) • *Extra Care Schemes 2 out of 2 completed (100%) • Medium & Low-Rise Blocks 143 out of 143 completed (100%) • Others 103 out of 103 completed (100%) <p>* Items being managed by Fire Safety Manager. (Note: one hostel FRA carried out by Peabody)</p> <p>Tower Blocks are visited monthly to carry out inspections of dry risers, drop down keys and PIBs. Currently all properties have an FRA within the previous twelve months. It is planned that from 2021, High and Medium Rise buildings will have six monthly FRA inspections, increased from the current annual visit.</p> <p>South Essex Homes complies</p> |

Corporate Compliance Position Statement**As of 30 December 2020**

| | |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>COVID POSITION: Some delays in undertaking medium & low rise and other property FRAs had accumulated due to lockdown and difficulty of remote access to IT. This situation has now been resolved and catch up has progressed as confirmed in the above summary.</p> |
| <p>Electricity at Work Reg. 1989</p> | <p><u>Annual Portable Appliance Testing (PAT Testing):</u> 2020 programme is now complete.</p> <p>This contract is being administered and delivered by the Caretaking Team.</p> <p>This year's programme commenced, with Covid-19 specific risk assessments in place, on Monday 28th September. With the completion of the annual programme occurring in December.</p> <p>There remain 39 properties where access has not been possible, and these have been shared with the Sheltered Housing Manager to facilitate further action / access.</p> <p>South Essex Homes complies</p> <p>COVID POSITION: Due to the lockdown the start of the programme was delayed. Risk assessments have been developed in line with a resumption of the revised programme ensuring operatives and residents remain safe. Some access difficulties have resulted due to residents shielding/isolating.</p> |
| | <p><u>Electrical Testing</u></p> <p>South Essex Homes complies with the Institute of Engineering and Technology recommendations and BS7671 guidance note 3. Our policy is to carry out an electric test every five years or on change of occupancy. We continue to take all measures to ensure that every property including those that have proved difficult to access has a valid test certificate. The current position regarding valid electric test certificates is:</p> <p>Completed Test Certificates within last five years – 5,465 (91%)</p> |

Corporate Compliance Position Statement

As of 30 December 2020

- Open orders which are not compliant (allocated to contractor but not yet complete) – 404
- No confirmed details – 79
- No recorded details – 61

- Total Number of properties - 6,012

The Electrical Testing programme continues. Due to concerns over early performance, additional resource was deployed to undertake some of the programme in recognition that this is a priority for the organisation. The current programme schedules all the properties without current checks during this financial year.

Completed test figures naturally fluctuate. The tests that are overdue have been given to Aaron as the extra contractor, and strongly worded letters have been sent to the difficult to enter properties which are proving to be successful in assisting our contractors to gain access. Additionally, we continue to sell properties which were compliant and continue to capture SBC buyback properties which at present do not have paperwork that can be recorded.

There are some properties which remain genuinely difficult to access, the Property Services and the Tenancy Services Teams will liaise to identify those and take rigorous and appropriate legal action which may include seeking an injunction.

South Essex Homes partially complies

COVID POSITION: The main EICR contractor (AJS) has not undertaken any inspections since the start of lockdown with staff on furlough. AJS have now sent out letters to recommence their programme of work but have failed to complete any further inspections. As a result, the remaining outstanding inspections have been issued to Aaron and Apex order numbers have been issued accordingly.

Corporate Compliance Position Statement

As of 30 December 2020

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Legionnaires Legionnaires Disease, The Control of Legionella Bacteria in water systems. Approved Code of Practice and Guidance (L8)</p> | <p>All mandatory Risk Assessments (RA) have been completed for Sheltered units. Monthly monitoring of sheltered schemes continues to programme. Automated remote monitoring in sheltered schemes is operational. This provides the ability to monitor and respond to water temperature fluctuations that could result in Legionella propagation thus providing a more robust preventative process.</p> <p>South Essex Homes complies</p> <p>COVID POSITION: The new process of six-monthly testing of high-rise blocks was suspended during the lockdown period to limit risk to staff and tenants. Prior to the current Tier4 restrictions, appointments letters were being prepared but it is planned that void properties will be utilised until safe access can be arranged.</p> |
| <p>Control of Asbestos Regulations 2012 (CAR)</p> | <p>Regulations required to ensure asbestos is managed and that the condition is monitored. To mitigate the risk of non-compliance, we respond to repair issues when identified utilising licenced contractors and relevant staff undergo regular Asbestos Awareness training. Other methods of embedding a routine re-inspection regime remain to be considered such as visual inspections being carried out by all visiting officers and caretakers on an ongoing basis. It will need to be underpinned by information and appropriate technology being available to staff (potentially use of the Photobook app which is used by Caretaking Staff). In-house recording of void asbestos re-inspections is updated on Apex and this will represent typically >10% of stock annually. Additional survey data undertaken as a result of ongoing capital works is recorded on Apex. Asbestos removal works are also recorded on Apex to ensure the Asbestos Register is maintained.</p> <p>South Essex Homes complies</p> <p>COVID POSITION: There is a backlog of void inspection information and asbestos removals being recorded on Apex due to issues with staff not being able to access the software. It is intended that the</p> |

Corporate Compliance Position Statement**As of 30 December 2020**

| | |
|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | move to a cloud-based solution toward the end of January will alleviate this problem. All records are being stored for update at the earliest opportunity. |
| The Lifting Operations Lifting Equipment Regulations 1998 (LOLER) | <p>Independent Insurance Inspections (Allianz) are undertaken at six monthly intervals of high rise and sheltered passenger lifts.</p> <p>Monthly inspections of tower blocks and bi-monthly inspections in sheltered schemes are undertaken by the lift maintenance contractor. A new contractor, Amalgamated Lifts, were appointed in 2020. The above meet the requirements of the current EN81 and LOLER lift Regulations and Standards.</p> <p>South Essex Homes complies</p> <p>COVID POSITION: Allianz continue to review their inspection of passenger lifts in sheltered/care home schemes and where appropriate safe working measures can be put in place, insurance inspections will continue.</p> <p>Residential stair lifts are not currently being inspected by the insurance provider (Allianz). However, stair lifts are being serviced by SEH appointed term contractor, Mountfield Services, who have COVID-19 compliant safe working procedures in place.</p> <p>Note: Stair lifts fall outside of the LOLER regulations. We are recording what addresses have not been inspected.</p> |
| Gas Safety (Installation and Use) Regulations 1998 (GSIU) | <p>All properties have had full access procedures applied to attempt the undertaking of an annual service and subsequent issue of a valid LGSR certificate. We now operate a MoT servicing regime. This fixes the date of the annual service allowing most properties to be serviced between April and October. This frees up resources to meet heavier repair demand typically seen during winter months. This also means we have moved from a ten month to a twelve-month cycle, whilst maintaining a 10-month cycle to commence the access process.</p> <p>South Essex Homes complies</p> |

Corporate Compliance Position Statement

As of 30 December 2020

COVID POSITION

The Covid pandemic has made maintaining our previous excellent record of delivering annual gas service checks incredibly challenging, as it has across the sector. Much effort has been applied to recover this situation and there are currently only two properties that have exceeded their service anniversary date. The table below details the compliance journey, showing properties exceeding their twelve-month anniversary date, to the current position:

| Date | Mar | Apr | May | Jun | Jul | Oct | Nov | Dec | Total | Compliance |
|------------|-----|-----|-----|-----|-----|-----|-----|-----|-------|------------|
| 04/08/2020 | 1 | 4 | 23 | 50 | 67 | | | | 151 | 96.79% |
| 01/09/2020 | 1 | 3 | 18 | 32 | 40 | | | | 114 | 97.57% |
| 30/09/2020 | 1 | 1 | 8 | 16 | 26 | | | | 91 | 98.06% |
| 06/10/2020 | 1 | 1 | 7 | 16 | 24 | 2 | | | 88 | 98.13% |
| 30/10/2020 | | | 1 | 2 | 10 | 5 | | | 27 | 99.43% |
| 02/11/2020 | | | | 2 | 5 | 3 | | | 17 | 99.64% |
| 25/11/2020 | | | | 1 | 2 | 2 | 5 | | 12 | 99.74% |
| 07/12/2020 | | | | 1 | 1 | 1 | 3 | | 6 | 99.87% |
| 30/12/2020 | | | | | | | 1 | 1 | 2 | 99.96% |

In further mitigation, records of attempts are kept enabling compliance with Regulation 36A under the exemption afforded by Regulation 39 providing all reasonable steps to gain access have been made. In addition, our Mechanical and Electrical Engineer undertakes a review of the appliance fitted, its type and age, to identify any that may present a particular risk, should their service go out of date. This helps direct resources and actions more effectively. Currently there are no properties with appliances that are of cause for concern.

Construction (Design and Management) Regulations 2015

This function is provided both in-house and externally. In 2019, Property Services staff undertook an externally delivered CDM course and subsequently, a further CITB training course. Internal Audit are currently in the process of reviewing our CDM processes. It is therefore prudent to delay the planned

Corporate Compliance Position Statement**As of 30 December 2020**

training (previously delayed due to COVID) until the completion of this review which will allow training to be tailored around any specific recommendations. South Essex Homes currently comply with the CDM regulations.

South Essex Homes complies

COVID POSITION: All Contractors currently working in relation to Capital Programme have had a review of their individual "Safe Methods of Working". These are continually being reviewed and amended in line with Government changes/restrictions coming into force.

Additional RAMS have been supplied from each of our contractors to clearly identify how they work whilst Covid-19 restrictions are in place and to conform to Government guidance and recommendations. These are under constant review and are checked by Surveyors when on site.

Future Tenders now incorporate 'Covid-19 conditions' clauses.

South Essex Homes Limited

Report of the Executive Director
to
The Board
on
21st January 2021

Report prepared by Mario Ambrose
Tel: 01702 212700

Agenda
Item No.

11

Fire Safety Update

A Public Agenda Item

1 Purpose of Report

- 1.1 To provide Board Members with an update on the current position in relation to the fire safety works in the residential properties managed on behalf of the Council.
- 1.2 To provide Board Members with an update on the initiatives being undertaken by the Fire Safety Manager

2 Recommendations

- 2.1 The Board are asked to note the content of the report and continue to support the Senior Management Team's endeavours to meet the challenges resulting from the Grenfell Tower fire.

3 Background

- 3.1 Since the tragedy of the Grenfell Tower fire on 14th June 2017, fire safety has been the focus of many organisations that have high rise residential blocks of flats within its asset portfolio. Southend has thirteen high rise residential blocks managed by South Essex Homes. As the Board are aware South Essex Homes has been very pro-active in its approach to fire safety with an ongoing programme of improvements to the structure of the blocks as well as investigating other ways and means to improve fire safety within the high rise blocks.

4 Fire Safety Works

- 4.1 The replacement of standard doors with fire safety doors in low to medium rise blocks of flats is progressing as part of the Capital Programme and will continue next year.
- 4.2 There are no specific time periods in law for how often fire risk assessments must be carried out or reviewed. The Regulatory Reform (Fire Safety) Order 2005 simply says that the person responsible for the assessment in your

building must review it 'regularly' to make sure it is up to date. We have undertaken the Fire Risk Assessments across the stock on an annual basis. However, we have now reviewed this and will now be doing Fire Risk Assessments every six months at the "higher risk buildings" which we believe are the high and medium rise blocks, as well as the temporary accommodation facilities.

- 4.3 The contract to install a pilot voice activated fire annunciation system has been let and the works started on site in November 2020. The pilot scheme, as previously advised is at Longbow flats. At present the works have been concentrated in the common areas and have involved installing the cable distribution system and controls. The works within the flats is not scheduled to start until February 2021, at which time they will be carried out in accordance with the Covid guidance at the time.
- 4.4 Following undertaking the due diligence process regarding the framework agreement we intended to use to procure the pilot scheme to install a sprinkler system in a high-rise block, we concluded that there were too many unanswered questions and areas of concern which we could not obtain reassurance on. Having discussed this with the Council it was agreed that we would follow a more traditional procurement route, utilising the services of an M&E Engineering Practice that have specialist skills in designing fire safety measures including sprinkler systems.
- 4.5 As Board members will be aware South Essex Homes maintains and services the existing fire doors, using its own "In House" team. This team have completed all the communal fire doors and had started the process to service the individual flat doors with varying degrees of success. However, since moving to tier 4. This work has been suspended until further guidance is given.
- 4.6 We continue to look at ways to improve fire safety and work with residents to get their view and also to share information with them using all forms of communication including social media.
- 4.7 South Essex Homes continues to take an active role as a member of a tripartite Fire Safety Group which includes Essex Fire Rescue Service and all departments of Southend Council, including building control etc. and these meetings are chaired by the Deputy Chief Executive of SBC and are held quarterly. South Essex Homes convenes its own fire safety group chaired by the Chief Executive where all issues relating to fire safety are discussed and action plans monitored. The last meeting was held on the 21st December 2020.
- 4.8 At the beginning of the year the Council agreed to commission Type Four Fire Risk Assessments for the thirteen high rise blocks. Unfortunately, these were delayed due to the pandemic. However, with the assistance and support of South Essex Homes, the surveys and intrusive inspections were undertaken in November/December 2020 and the draft report has been sent to the Council. Fortunately, the Fire Engineers did not report any major fire safety problems with the blocks and an action plan of remedial works and housekeeping issues has been drawn up and its progress monitored by South Essex Homes, both at its own Fire Safety meetings and the wider Council Tripartite meeting.

5 Fire Safety Manager Update

- 5.1 One of the key objectives of the role was to engage with residents and to involve them with understanding keeping safe and vigilant with regards fire safety. The Fire Safety Manager has continued to engage with residents within the social distance and access guidance, and contributes with fire safety advice articles in Insight, the quarterly information magazine produced by South Essex Homes.
- 5.2 During the second lockdown period, the Fire Safety Manager has carried out regular visual fire safety inspections of the high-rise blocks and sheltered schemes while observing the Covid-19 recommendations made by the Government.
- 5.3 The Fire Safety Manager has arranged for premises information boxes (PIB) to be fitted in all sheltered schemes. These contain a copy of the buildings' Fire Risk Assessment (FRA), and locations of key places within the buildings such as boiler rooms, electrical intake rooms, lift motor rooms, and the access keys for these areas. They also hold a current up to date list of the residents who may require special assistance in an emergency and this information is updated on a monthly basis.
- 5.4 Working with the Support Services Team and Sheltered Housing Officers, the Fire Safety Manager has been identifying vulnerable residents with regards fire safety and evacuation ability, and where appropriate these individuals are being referred to the Council's Occupational Therapy team to see what sensory equipment and aids they can offer.
- 5.5 When government Covid guidelines allow, the Fire Safety Manager will continue to deliver fire safety awareness sessions to as many residents who would like to attend. This initiative was started earlier in 2020 but held in abeyance during the lock down.
- 5.6 As previously advised to the Board the Fire Safety Manager now undertakes the Fire Risk assessments to the high-rise blocks, sheltered schemes and temporary accommodation.
- 5.7 In the Autumn, Essex County Fire Rescue Service, along with other fire rescue services were instructed by MHCLG to undertake a fire safety audit at the high-rise blocks (over 18 meters in height) within their area of operation. As Southend has thirteen high rise blocks this exercise was undertaken with the support and the attendance of the Fire Safety Manager. No major issues were noted other than some minor housekeeping actions and remedial works.

6 Resident Involvement

- 6.1 One of the key areas that the Fire Safety Manager is developing (within the constraints of the Pandemic) is to, not only communicate and consult with residents individually or in groups but also to encourage and support them to take an active role in the fire safety in their blocks. This will include educating residents to be able to regularly check their own front doors and report any defects

6.2 Residents have continued to be updated and reassured about the position in terms of fire safety in the Council's residential blocks, through social media, letters and when allowed attendance at Resident meetings

7 Finance

7.1 All the major works as described in this report are funded as part of the Council's Housing Revenue Account (HRA) Capital programme.

7.2 The Council continue to be very supportive of any fire safety initiatives and provide funding for agreed projects.

8 Background Papers

8.1 None

South Essex Homes Limited

Report of Head of Corporate Resources and Income
Management (Company Secretary)

to

The Board

on

21st January 2021

Agenda
Item No.

12

Report prepared by Simon Putt
Tel: 01702 212624

Social Housing White Paper update report

A Public Agenda Item

1 Purpose of Report

1.1 To provide an update to the Board on the new White Paper.

2 Recommendations

2.1 The Board are recommended to note the contents of the report.

3 Background

3.1 The Government has finally published its long-awaited Social Housing White Paper in the form of a Charter for Social Housing Residents. However, much of it is not new and a lot of it sets out what they would like the Regulator of Social Housing (RSH) to now consult on so we wait to see the follow-up work and consultation papers in due course.

3.2 The Ministry of Housing, Communities & Local Government (MHCLG) have said the Government's intention with this Charter is to rebalance landlord and tenant relationships in the social housing sector. To that end it does include a significant reform of consumer regulation, much of this is reminiscent of the Audit Commission days and the setting up of the Tenants' Standards Authority so for the ALMO sector and social housing tenants across the country there should be a familiarity with many of the ideas set out in the document.

3.2.1 The Charter for Social Housing Residents

It is set out in the seven sections:

1. To be safe in your home
2. To know how your landlord is performing
3. To have complaints dealt with promptly and fairly
4. To be treated with respect – backed by a stronger consumer regulator for tenants
5. To have your voice heard by your landlord

6. To have a good quality home and neighbourhood to live in
7. To be supported to take your first step to ownership.

3.3 **1) To be safe in your own home**

3.3.1 This chapter mainly sets out all the existing work that is going on with regards to building safety. The new announcements are:

- Government to legislate to strengthen the RSH's consumer regulation objectives to explicitly include safety.
- To require social landlords to identify a nominated person responsible for complying with their health and safety requirements.
- A new Memorandum of Understanding between the RSH and the Health and Safety Executive to ensure effective sharing of information with the Building Safety Regulator.
- Consultation on smoke alarms and carbon monoxide alarms to be required in the same way to Private Rented Sector (PRS) in the social sector. Consultation out now and ends 11 January 2021.
- Consultation on electrical safety standards to apply to social sector in a similar way to the PRS will be published later this year.

3.4 **2) To know how your landlord is performing**

3.4.1 This chapter is all about social landlords providing information to tenants to help them hold their landlords to account, and it is clear from the introduction that some of this is directed at housing associations who are currently not covered by the Freedom of Information Act.

3.4.2 However, it does include the intention to use a set of tenant satisfaction measures to help tenants hold their landlords to account. The detail of this is still to be consulted on by the RSH. The National Federation of ALMOS (NFA) jointly chairs a social housing sector wide steering group on Consumer Standards which has been looking at these suggestions for over a year now and they will continue to engage with both the wider sector and MHCLG and the RSH on the detail over the coming months. In the meantime, this paper states the Government:

- Expect the RSH to bring in a set of tenant satisfaction measures for all landlords on things that matter to tenants.
- Introduce a new access to information scheme for social housing tenants of housing associations and other private registered providers of social housing, so that information relating to landlords is easily accessible to tenants.
- Ensure landlords provide a clear breakdown of how their income is being spent, including levels of executive remuneration, to be published alongside their tenant satisfaction measures.

- Require landlords to identify a senior person in their organisation who is responsible for ensuring they comply with the consumer standards set by the RSH.
- Expect landlords to report to every tenant on such matters at least once a year, if not continuously, using technology.

3.4.3 The draft tenant satisfaction measures which will be a starting point for further discussion with the RSH are;

| | |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Keeping properties in good repair | <ul style="list-style-type: none"> • Decent Homes Standard compliance • Responsive repairs completed right first time • Tenant satisfaction with landlords' repairs and maintenance service |
| Maintaining Building Safety | <ul style="list-style-type: none"> • Compliance with health and safety obligations <ul style="list-style-type: none"> ○ Gas safety ○ Electrical safety ○ Fire safety ○ Asbestos ○ Water safety ○ Lift safety • Tenant satisfaction with the health and safety of their home |
| Effective Handling of Complaints | <ul style="list-style-type: none"> • Number of complaints relative to the size of the landlord • % of complaints resolved within agreed timescale • Tenant satisfaction with landlord's complaints handling |
| Respectful and helpful engagement | <ul style="list-style-type: none"> • Number of complaints relating to fairness and/or respect, relative to the size of the landlord • Tenant satisfaction that their landlord listens to their views and takes notice of them • Tenant satisfaction with landlord's engagement with tenants |
| Responsible Neighbourhood Management | <ul style="list-style-type: none"> • % of communal areas meeting the required standard • Number of complaints relating to communal areas, relative to the size of the landlord • Tenant satisfaction with landlord actions to keep communal areas clean and safe • Tenant satisfaction with landlord contribution to the neighbourhood associated with their home • Number of complaints relating to anti-social behaviour, relative to the size of the landlord • Tenants satisfaction with landlord's handling of anti-social behaviour • Overall tenant satisfaction with the service their landlord provides |

3.5 **3. To have complaints dealt with promptly and fairly**

3.5.1 This chapter details the work already underway via the Housing Ombudsman (HO) to improve complaints handling in the sector. The HO will continue to implement that agenda and the Government has already inserted some clauses into the Draft Building Safety Bill to remove the democratic filter for complaints to the HO and set out its intention to strengthen the duty for the RSH to co-operate with the HO and vice versa.

3.5.2 The MHCLG will run an awareness campaign for social housing tenants about how to complain.

3.6 **4. To be treated with respect – backed by a strong consumer regulator for tenants**

3.6.1 This is the most significant and substantially new part of the document which sets out the Government's intention to strengthen the RSH's role in regulating the consumer standards. The changes once implemented will change the RSH's role from a reactive one to a much more pro-active one including a regime of routine inspections. The key changes to the regulatory regime include;

- Removing the serious detriment test.
- Starting new risk based, routine inspection for all landlords over 1,000 homes roughly every four years.
- RSH to publish code of practice and review their consumer standards.
- Giving the RSH more teeth to enforce and lift cap on fines.
- Expanding the consumer function of the RSH, increase staff, broaden the Board to include those with that experience and set up an advisory committee.
- Add a "look through" power to the RSH to allow them to follow the money paid outside of the sector.

3.6.2 It also includes measures to ensure that local authorities are held to account for the performance of service provided by an ALMO or Tenant Management Organisation (TMO) by;

- Asking stockholding local authorities that contract our management services to ALMOS to review their contracts to ensure they do not prevent the RSH from taking action in the event of non-compliance with its standards.
- Making it explicit that provisions in contracts between ALMOs and TMOs would be deemed void if they hindered the regulation in its exercise of its powers.

- Working with the RSH to set out an expectation for local authorities to self-refer to ensure that issues of concern to tenants are dealt with as quickly as possible.

3.6.3 ALMOs and local authorities have been encouraged to self-refer to the RSH for the past few years and there is increasing evidence that this is happening more frequently now but because this requirement is contained in the Governance standard which doesn't apply to councils the Government will act to rectify that omission.

3.7 **5. To have your voice heard by your landlord**

3.7.1 This chapter covers tenant engagement and the renewed emphasis that the Government will now give to that. The Government will expect the RSH to require landlords to show how they have sought out and considered ways to improve tenant engagement and will ask all landlords to keep up with best practice.

3.7.2 They will also re-start a programme of tenant engagement and empowerment like they used to have, to support tenants' effective engagement with landlords. The programme will deliver a range of learning and support activities, as well as providing information for residents on ways to get involved, including their opportunities and rights to do this. They will work with tenant led national bodies to set out a plan for how best we can support residents to take part in scrutiny activities which are so important in holding their landlord to account.

3.8 **6. To have a good quality home and neighbourhood to live in**

3.8.1 The Government has again re-iterated that they will review whether the Decent Homes Standard needs reviewing.

3.8.2 "As a first step the review will consider the case for change. The aim is to complete this part of the **Review by Autumn 2021**. If the evidence demonstrates that there is a need to revise the Standard, they will consider the strategic, economic and management case for new criteria as a second stage of the review. It is important that any changes to the Standard are affordable and deliverable".

3.8.3 Climate change targets will be a part of this review as will wider neighbourhood issues, including anti-social behaviour and the greening of communal spaces but there will be a continued push for quicker action on climate change targets as ALMOs and councils start to change asset management plans and have to make investment decisions on these issues now.

3.8.4 In terms of work on **Anti-Social Behaviour** the Government have pointed to the Community Trigger arrangements (also known as the ASB Case Review) which give victims of persistent anti-social behaviour reported to any of the main responsible agencies (such as local authorities, police or a landlord) the right to request a multiagency case review of their case where a local threshold is met. They have said they will now work with the National Housing Federation and Local Government Association to encourage social landlords to inform residents of their right to make a community trigger application, and where appropriate,

that they act as an advocate in supporting tenants to take an application forward with the relevant authority.

3.8.5 The Government has also referred to its recent work on the review of **social housing allocations** and the results of its work will be published shortly and they will consider the findings to ensure that housing is allocated in the fairest way possible and achieves the best outcomes for local places and communities. This will include considering;

- How to improve joint working between local authorities and housing associations to ensure that social housing is being allocated efficiently;
- How to remove barriers to access to social housing for homeless households; and
- How to ensure vulnerable households are able to navigate local authorities' allocation systems.

3.9 **7) To be supported to take your first step to ownership**

3.9.1 The government still has a clear focus on home ownership and this chapter details the existing announcements on new supply and home ownership initiatives such as the new Affordable Housing Programme (AHP), the removal of the debt cap from the Housing Revenue Account (HRA), the new right to shared ownership in new AHP, the voluntary Right to Buy (RtB) pilot in the housing association sector.

3.10 Early Stage Sector Thinking

3.10.1 We have joined a number of discussions/seminars with the RSH, the Chair of the NFA and the HO over the last few weeks and there are a number of themes arising which include:

- Landlords need to identify a “nominated person” responsible for complying with Health & Safety.
- The RSH will require all Landlords to identify “a responsible person” who will ensure the organisation is complying with the Consumer Standard.
- Improved communication. New memorandum of understanding between RSH, and HSE to ensure effective sharing of information with the Building Safety Regulator. Also, much closer working between the HO and the RSH.
- The RSH will be reviewing the Consumer Standard, however this will involve consultation before a revised Standard and Code of Practice is published, and therefore the view from the RSH is that they will be concentrating on Tenant Satisfaction measures first.
- The RSH will introduce a pro-active Consumer Regulatory regime rather than reactive, with the removal of the “serious detriment test” and inspections every 4 years. The view from the RSH is that the inspections are likely to be 2 years away.

- The speeding up of access to the HO, by the removal of the need to go to a “designated person” or wait 8 weeks from the end of the formal complaint process raised with the Landlord.
- The need to ensure that the Landlord’s Complaint policy meets the HO Complaint Handling Code.
- Development of stronger resident engagement, and the need for continuous improvement in the way landlords engage with social tenants.
- The clear message from the RSH is “get on with things now, don’t sit back and wait”.

3.11 Next Steps

- 3.11.1 To consider whether SEH might look to help shape the legislation and to consider putting ourselves forward for an early stage role in dialogue with the RSH in their new proactive role? If this should involve an inspection that we offer to work with the regulator as a pilot site?
- 3.11.2 The Council’s Director of Housing Development has indicated support for this proactive approach and suggested that he would like to be involved in consideration of such an initiative. The Council’s Cabinet may also receive a report on the proposed legislation in due course.
- 3.11.3 Whether or not an offer to act as a ‘pilot site’ would be accepted by the RSH is unknown at this stage but embracing the principles of the new legislation at an early stage will be beneficial in terms of positioning our organisation and should certainly benefit residents. Inevitably, this will involve additional investment, and we will be working with the Council to understand any initial and ongoing investment and resource implications.
- 3.11.4 We are already reviewing our Complaints policy to ensure that it aligns with the Ombudsman’s Complaint Handling Code, and this will be brought to the Board for approval in due course.
- 3.11.5 In addition, we will be considering self-inspecting our services against the Consumer Standards, and also how we are doing by way of surveys, focus groups and social media comments across the RSH’s draft satisfaction measures.
- 3.11.6 As a consequence of the clearly increased focus on real resident involvement being signalled by the White Paper, maybe the Board might want to think about a resident involvement champion in the same way that we have a safeguarding champion and a Health & Safety scrutineer whereby a nominated Board member takes a specific interest in those particular areas of activity.
- 3.11.7 Finally it will be important to continue to monitor the progress of the White Paper and any changes and developments over the coming months, and these together with Board input will enable us to review and incorporate the relevant elements into the review of the Business plan and subsequent action plan.

4 Equality and Diversity

- 4.1 All equality and diversity issues identified from the proposals contained in this report have been considered and are in accordance with the South Essex Homes' Equality and Diversity Policy.

5 Risk

- 5.1 Any risks identified from the proposals contained in this report have been considered by the Executive Management Team. The Board have identified risks associated with the governance of the organisation within statutory regulations.

6 Financial Implications

- 6.1 The financial implications of the White Paper are likely to become clearer over the coming months and years. In the short term, we anticipate that there will be some specific additional areas of work arising, and we will work with the Council to agree the most effective way to deliver these.
- 6.2 Going forward, as further financial implications become clear, the Board will be fully informed of those implications and of any decisions arising.

7 Resident Consultation

- 7.1 Not applicable for this report.

8 Background Papers

- 8.1 The Charter for Social Housing Residents.

9 Appendices

- 9.1 None.

Minutes of Audit & Risk Committee Meeting

Date: Thursday 10 December 2020

Start Time: 3.00pm via MS Teams

End Time: 4.30pm

Present: David Joyce – Chair Audit & Risk Committee; Michael Oxley; Margaret Borton, Chris March, Phyllis Ward

In attendance: Mike Gatrell – Chief Executive; Simon Putt – Group Manager, Corporate Resources & Income Management; Daniel Lyons – Financial Services Manager; Carol Cooper – Board Support Officer.

| | | Action |
|-----------|---------------------------------------------------------------------|--------|
| 1. | Welcome and Introductions | |
| 1.1 | DJ welcomed everyone to the meeting. | |
| 2. | Apologies for Absence | |
| 2.1 | There were no apologies received. | |
| 3. | Declarations of Interest | |
| 3.1 | There were no declarations of interest. | |
| 4. | Report of Whistle Blowing Incidents | |
| 4.1 | SP advised that there were no reported incidents of Whistle Blowing | |

| | | |
|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| <p>5.</p> <p>5.1</p> <p>5.2</p> <p>5.3</p> <p>5.4</p> | <p>Minutes and Matters Arising from meetings held on 29 September 2020</p> <p>The Minutes of the meeting held on 29 September 2020 were agreed as a true and accurate record.</p> <p>Matters Arising from 29 September 2020.</p> <p>The Committee requested that a report be maintained of the management actions from the internal audit report which provides the name of the responsible officer, the expected completion date and actual completion date. DL agreed that he would collate this information and will include in his report to the Committee on a quarterly basis.</p> <p>Difficult to let properties. The Committee requested clarification as to how the Board are kept updated on this situation. This information would be included in the Audit & Risk Committee minutes contained within the Board pack. The Committee were happy with this approach.</p> | <p>DL</p> |
| <p>6.</p> <p>6.1</p> <p>6.2</p> <p>6.3</p> <p>6.4</p> <p>6.5</p> | <p>Performance Management Update Report</p> <p>DL gave an overview of the report</p> <p>DL updated that the void turnaround time and gas servicing KPIs are still being impacted by Covid. Extensive work has been carried out by the Assistant Director responsible for tenancy to ensure that the gas servicing figures have been improved and since the writing of this report the number of properties with out of date gas servicing certificates is in single figures. It is believed that the gas servicing will be back within target parameters shortly. The Decent Homes KPI has also been impacted by Covid and will not reach 100% by the end of the year. Next year's programme has been developed to ensure that 100% will be reached, bar further Covid restrictions.</p> <p>DL supplied two sickness KPI figures, one including Covid related sickness and one without. With Covid included 11 FTE working days had been lost the figure excluding Covid was 6 FTE working days. CM suggested that the figures were lower as when staff work from home they are more likely to continue working if they are not very ill and not phone in as sick. The Committee accepted this as a possibility.</p> <p>DL confirmed that the current target is 9 days and DJ requested that the total number of days are also shown in the report and not just the monthly figure.</p> <p>DJ requested that whilst long term sickness is included in this figure he also requested that this be included in the report as a separate figure. DL to action.</p> | <p>DL</p> <p>DL</p> |

| | | |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 6.6 | <p>CM commented that he was impressed with the rent collection rates and sought clarity as whether Officers thought this would continue. SP updated that he had attended two virtual meetings and there appeared to be 2 trends. There had been a spike in arrears in March but then this had gradually, due to a number of factors, levelled out. Factors included a change in the way the DWP make their payments and also an increase in the UC payment had improved payment rates in addition to the fact that people were staying in and therefore were able to pay off more of their arrears. It is believed this is very much demographically based.</p> | |
| 6.7 | <p>MO sought clarity regarding the additional temporary resource to work on the void KPI. DL confirmed that this is a temporary post for 4 months to help clear the backlog caused by Covid. The post has been funded by Southend Borough Council.</p> | |
| 6.8 | <p>KPI17 – gas servicing – clarity was sought regarding whether tenants are advised of their obligations under the gas servicing requirement. MG confirmed that it is not necessary to take this position with all residents as the contractor begins to contact the tenant at least 2 months before the gas servicing is required in order to alleviate any problems that may occur with non access. The importance of gas servicing is reiterated to our tenants via our social media platforms. DJ was happy with this approach.</p> | |
| 6.9 | <p>DJ sought clarity regarding the Decent Homes figures of 4.3% of properties not being met and asked if there were any consequences of this. MG updated that in theory there could be consequences but rather like the gas safety certification across the whole sector, if SEH can demonstrate good reasons why the target has not been achieved and that a plan is in place to get back to 100% then the Regulator would be happy. SEH keep records that can demonstrate this. DJ was happy with this explanation.</p> | |
| 6.10 | <p>MO sought clarification over point 6.5 in management framework. He asked does this mean that we have to review the KPIs and the way they are put together to ensure they are compatible with Housemark? DL confirmed that some KPIs align with Housemark and some are calculated differently in line with the Partnership Agreement. Going forward the aim is that annually the amended KPIs will be brought to the Audit and Risk Committee with a comparison to Housemark.</p> | |
| 6.11 | <p>DL confirmed that the KPIs had been approved by EMT and the changes reflect how the sector reports performance management. Housemark have recently changed their KPIs and where relevant SEH has linked to their targets but local circumstances mean that SEH are not comparable to all.</p> | |
| 6.12 | <p>MO sought clarity regarding the separation of framework and KPIs that are guiding us. He asked if the KPIs should be part of the framework and in due course should these KPIs be reviewed? DL confirmed this could be done as a target setting exercise. DL confirmed that all KPIs are agreed with SBC as part of the Partnership Agreement. DL agreed to include an appendix with the framework.</p> | DL |

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| 6.13 | DJ asked where does “value for money” feature in the framework as this is fundamental. DL confirmed that paragraph 1.3 shows this but DJ felt it was not explicit in how the KPIs help SEH achieve value for money. | DL/SP |
| 6.14 | DJ was concerned that the strategy had not been reviewed since 2013 and requested the Committee be provided with a list of strategies and policies including when last reviewed and next review date. DL confirmed that there is currently an ongoing project looking at all policies and strategies and reviewing where necessary. It was agreed that a list of strategies and policies would be provided to the Committee annually and that all policies should be reviewed on a three yearly programme. | |
| 6.15 | It was agreed to amend the recommendation as below. | |
| 6.16 | Recommendation: | |
| 6.17 | The Audit & Risk Committee noted the exceptions to the Key Performance Indicators as at the 31st October 2020. | |
| 6.18 | The Audit & Risk Committee agreed the Performance Management Framework subject to an appendix being included linking with KPIs giving assurance that value of money is being achieved. | |
| 7. | Budget Position and Management Accounts as at 31 October 2020 | DL: |
| 7.1 | DL gave an overview of the report. | |
| 7.2 | DJ required clarity as to why there is a service charge fee but no service charge costs shown in the report. DL confirmed that service charge costs are amalgamated into cost headings and are included in repairs budget. DL offered that these could split between service charge items and non service charge items. | |
| 7.3 | Recommendation: | |
| 7.4 | The Audit & Risk Committee reviewed and considered South Essex Homes’ financial performance based on information as of 31st October 2020. | |
| 8. | Review of Financial Regulations and Scheme of Delegation | DL |
| 8.1 | DL gave an overview of the report. | |
| 8.2 | DJ requested that the Financial Regulations be more fully reviewed. DL to review. | |
| 8.3 | DJ raised that point 5 mentions confidential reporting but not does not mention whistleblowing. He felt that there should be reference to the Whistleblowing Policy. | |

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| 8.4 | DJ sought clarity in point 11.4 as to management authorising contracts worth £50k. DL confirmed that to his knowledge there had not been a contract for a single contractor for this sum. Usually contracts for over £50k are repairs or capital contracts and these are entered into in the name of Southend Borough Council and not South Essex Homes. | |
| 8.5 | DJ sought clarity in point 22 – investments: the document does not mention SEH borrowing or capital financing. DL confirmed that SEH do not borrow and agreed that the document should be altered to state this. This should not be in the section heading. | DL |
| 8.6 | DJ requested that point 28 refer staff to the code of conduct which would give further guidance to staff members. | |
| 8.7 | DJ felt that the delegation of authority information is sparse. He offered to send the one he has just produced to DL. | |
| 8.8 | MG updated that the development of existing documents has been guided by SBC's requirements of SEH as an ALMO. However, he noted that the point of bringing these documents to the Audit & Risk Committee is for the Committee to highlight areas where they would like to see further clarification and assurance. It was agreed that the Committee would approve the documents as they have been submitted and request a further review of elements set out by the Committee to be brought forward in 6 months' time. It was agreed that this should be discussed with the new Assistant Director once in post and would be returned to the Committee. The Committee agreed to this interim measure. | DL |
| 8.9 | Recommendation: | |
| 8.10 | The Audit and Risk Committee recommend the updated Financial Regulations and Scheme of Delegation for approval by the Board. | |
| 9. | Treasury Management Strategy/Policy Update | |
| 9.1 | DL gave an overview of the report, which had previously been to the Committee in June and was now updated with comments from Link Asset Services | |
| 9.2 | The Committee agreed to increase the balance of the account to £3m and allow for a grace period of three business days if the balance were to rise to above £3m (to be reduced to below £3m) | |
| 9.3 | DJ requested that Appendix 1 Section 2 be altered so that the organisation is not referred as via the Board/A&R Committee. | DL |
| 9.4 | Recommendation: | |
| 9.5 | The Audit & Risk Committee agreed the Treasury Management Policy. | |

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| <p>10.</p> <p>10.1</p> <p>10.2</p> <p>10.3</p> <p>10.4</p> | <p>Strategic Risk Register Update</p> <p>SP updated that the SRR had been reviewed in August and approved by EMT.</p> <p>MO requested that the ICT element should be amended to remove the reference to Covid-19.</p> <p>Recommendation:</p> <p>The Audit & Risk Committee noted the contents of the report and agreed the Strategic Risk Register.</p> | <p>SP</p> |
| <p>11.</p> | <p>Date of next meeting Thursday 18 February 2021 @ 3.00pm</p> | |

DRAFT