

South Essex Homes Limited

Minutes of Board Meeting

Date: 25 January 2024

Start: 3.00pm End: 5.30pm

Via MS Teams

Minutes

Present Chris March (CM) – Chair; Brian Beggs (BB) – Vice Chair; Roger Eastwood (RE); Chris Silvey (CS); Keith Ducker (KD), David Joyce (DJ), Sacha Jevans (SJ), Michael Oxley (MO), Martin Terry (MT); Kevin Buck (KB), Peter Potter (PP) – from agenda item 9

In attendance: Mike Gatrell (MG) – Chief Executive, Mario Ambrose (MA) - Executive Director; Sarah Lander (SL) – Director Operations (Housing); Daniel Lyons (DL) – Director Finance and Corporate Services; Beverley Gallacher (BG) – Director Commercial, Carol Cooper (CC) – Company Secretary; Tim Holland (TH) – Head of Housing Supply; Chris Bellis-Wright (CBW) – Housing Client Relationship Manager

Tenant Observers: Majzoub Ali – Public Meeting Only

PUBLIC AGENDA		Action
1.	Welcome and Introductions	
1.1	CM welcomed everyone to the meeting	
2.	Apologies for Absence	
2.1	There were no apologies for absence.	

<p>3.</p> <p>3.1</p>	<p>Declarations of Interest</p> <p>CM declared an interest in Agenda Item 9 – “reappointment to the Board”.</p>	
<p>4.</p> <p>4.1</p> <p>4.2</p> <p>4.3</p> <p>4.4</p> <p>4.5</p> <p>4.6</p> <p>4.7</p> <p>4.8</p> <p>4.9</p> <p>i)</p>	<p>Community Development Update including update from ATF and progress on charitable organisation</p> <p>SL provided an overview of the report.</p> <p>RW shared the presentation and provided an overview of the work undertaken by ATF.</p> <p>RW thanked the Board for their support and partnership to assist ATF to improve lives of residents across the city.</p> <p>RW thanked the STRF with their help to obtain funding for the Christmas party, ATF had worked in partnership with SEH staff to achieve a positive outcome.</p> <p>MT congratulated ATF on the work completed as he saw the work as fundamental to society in helping vulnerable people.</p> <p>MO confirmed that he supported the work of ATF and felt strongly that the work undertaken is fundamental to work that should be undertaken by a social housing organisation and was assured that the work undertaken was providing a positive outcome for the community.</p> <p>MG echoed the comments of MO and MT and noted that it was positive to be able to reflect at a meeting on work that goes unsung behind the scenes as a sector. The report supported by ATF goes a long way in showing what is undertaken within the community and that as a housing provider we are an integral part of communities where we provide services that make a real difference to people’s lives and the Board should be proud of that.</p> <p>SL noted that it was important to recognise our role as not purely housing and the tenant satisfaction measures includes a question relating to landlords making a positive contribution to neighbourhoods.</p> <p>Recommendation:</p> <p>The Board noted the content of the report.</p>	
<p>5.</p> <p>5.1</p>	<p>Better Queensway Update</p> <p>In GH’s absence the update was deferred to the March meeting.</p>	

<p>6.</p> <p>6.1</p> <p>6.2</p> <p>6.3</p>	<p>Public Minutes & Matters Arising from meeting held 26 October 2023</p> <p>The Minutes were agreed as a true and accurate record of the meeting.</p> <p>DL clarified for MO that the Complaints Policy had been updated and that the word “informal” had been removed in relation to described complaints.</p> <p>The Board requested that in future where documents had been reworded clarity as to the changes was provided in the Matters Arising.</p>	
<p>7.</p> <p>7.1</p>	<p>Chair’s Remarks</p> <p>CM noted that within the Governance and Stewardship Report there were items relating to the appointment and reappointment of members and directed that if individuals felt that discussion should be undertaken in the absence of that individual, Board members should message CC separately at the time the item was being discussed.</p>	
<p>8.</p> <p>8.1</p>	<p>Residents’ Voice Your View</p> <p>No Residents’ Voice Your View were received.</p>	
<p>9.</p> <p>9.1</p> <p>9.2</p>	<p>Governance & Stewardship Report</p> <p>CC provided a brief overview of the recommendations in the report and conformed that the Fire Safety Policy had been withdrawn from the meeting. The policy will be reviewed and will be presented at the Board meeting in March.</p> <p>CM asked Board members to consider whether the SEH Board should continue to have a nominee on the SEPS and SEFM Boards or whether the Board felt there should be an independent board member in that role. CM noted that having been the nominee for five years, that at the outset when the SEPS business was much smaller and there was no SEFM the time required as a nominee was not that onerous but as the business has grown time required to fill that role along with the role on the SEH Board and a Committee member has increased meaning a much more rigorous time requirement. CM also felt it was the right time for the Board to think about whether the SEPS/SEFM Boards should be completely separate and noted that to ensure governance the SEPS/SEFM Board Chair would attend each SEH Board meeting to provide assurance to the shareholder the business progression.</p>	

9.3	<p>MG noted that when the commercial subsidiary was first set up it was clear that the SEH Board wanted to be both supportive and observant of what was then its new subsidiary particularly having invested both reputationally and financially in the new subsidiary. The subsidiary took a while to get started and the Board wanted to keep its support and oversight in place and MG felt that it is the correct time to ask the Board to reflect on whether it was time to change that approach.</p>	
9.4	<p>MG noted that following the recruitment of SJ to the Board, at that time the SEPS' Board had also been looking to appoint a further member but had not been successful and the Board is about to start the recruitment process again so now would be timely and cost effective that if the Board were minded to, this recruitment process could be used to recruit to two positions.</p>	
9.5	<p>MT observed from his perspective as a City Councillor and on behalf of the Council that he is pleased with the progress that SEPS has made. The SEH Board would still require reassurance of the SEPS/SEFM business and sought clarity as to how that would happen. CM confirmed that the SEH Board would continue to have good sight of SEPS with the SEPS/SEFM Board Chair attending each SEH Board meeting to provide an update.</p>	
9.6	<p>CM also noted that removing the nominee would potentially allow SEPS the opportunity to recruit Board members with the correct skillset in commercial facilities management which is slightly different to the skillset of the SEH Board.</p>	
9.7	<p>SJ noted that the SEH Board need to be confident in the transparency of information between themselves and the subsidiaries and its activities and given SEPS has matured as an organisation the SEH Board needs to ensure that sufficient information is provided for them to be reassured of those activities being undertaken. If there were not to be a nominee SJ suggested that joint strategy days would be required along with input from the SEH Board in relation to the SEPS business plan to ensure sufficient flow of information.</p>	
9.8	<p>MT sought reassurance that the companies would continue to work together and did not get into a silo working situation.</p>	

9.9	<p>BG clarified that there is an inter-company agreement between SEPS and SEH which covers all measures that need to be reported to the Board on a regular basis. There is also the Group Commercial Committee which is attended by the Chair of both Boards along with the Vice-Chair of the SEH Board which discusses new business lines that SEPS might wish to pursue. SEPS is following far more opportunities, in particular partnership with SCC and given the number of meetings required by both Boards and Committees a nominee's time might be spread thinly so relying on the good governance in place would provide the SEH Board with the reassurance it needs.</p>	
9.10	<p>MO agreed with SJ that it is important that there is the correct flow of information and BG has confirmed that the governance is strong and therefore MO believes that the correct governance can be achieved without the need for a nominee.</p>	
9.11	<p>CM asked the Board to confirm that he was happy for BG and CC to commence the recruitment process to recruit two Board members to the SEPS' Board for external candidates to be able to ensure the best skillset for the SEPS Board.</p>	
9.12	<p>DJ noted that he is interested in applying for a place on the SEPS Board and suggested that the Board could consider directly filling the position or using the recruitment process. DJ confirmed that his interest is related to succession planning as his maximum term of office comes to an end in October 2024. Having said this, he is happy to apply via the recruitment process. DJ would like to put in place a succession plan for the Chair of the Audit & Risk Committee and would like to arrange a smooth handover. DJ noted that if the Board wished to have a nominee until any new Board members were recruited, he would be happy to be the nominee for the interim period.</p>	
9.13	<p>SJ noted that she and DJ both joined the Board at the same time so this will see two directors leave the SEH Board at the same time this year, so succession planning is very important as they are both Chairs of Committees.</p>	
9.14	<p>MG gave an overview of the comments made in that it appears the Board would prefer to no longer have a nominee on the Board and unless the Board would like to take up DJ's offer to be an interim nominee the Board are looking to recruit to two Board members for SEPS and SEFM.</p>	
9.15	<p>RE noted that he felt the Board should go through the open recruitment process for both vacancies to maintain a consistency of approach to recruitment to those Boards and to provide more transparency in terms of governance.</p>	

9.16	The Board instructed Officers to recruit two independent Board members to the SEPS/SEFM Boards. CC and BG to commence the recruitment process with an update to be provided at the March Board meeting.	CC
9.17	CS requested an alteration to the Social Media Policy to include all 9 protected characteristics and a reference to the Equality Act. The Board agreed that the policy be amended. CC to action.	CC
9.17	CC noted that KD had commented in that he felt it wasn't clear from the report whether the attendance threshold of 60% attendance had been met by all Board members. CC confirmed that not all Board members had met the 60% threshold but that overall, the 60% had been met. It was agreed that this detail would be included in the annual update at the next January meeting.	
9.18	Recommendations:	
i)	The Board appointed Sacha Jevans to the South Essex Property Services (SEPS) and South Essex Facilities Management (SEFM) Boards as an Independent Board Member	
ii)	The Board appointed Chris March as a non-executive Director of South Essex Homes for a further term of office for a three-year period in accordance with the Articles of Association.	
iii)	The Board appointed Roger Eastwood to the Audit & Risk Committee.	
iv)	The Board appointed Peter Potter to the Board as a Tenant Board Member for a three-year period in accordance with the Articles of Association.	
v)	The Board discussed and agreed the process to appoint to the additional SEPS and SEFM Board vacancy arising, as set out in this report.	
vi)	The Board agreed the Chargeable Works Policy.	
vii)	The Board agreed the Reward & Recognition Policy	
viii)	The Board agreed the Social Media Policy, subject to the amendments noted above.	
ix)	The Board noted the annual analysis of Board Member attendance.	

10.	Dampness Mould and Condensation Status Update	
10.1	In KH's absence MO provided an overview of the report.	
10.2	MO sought clarity as to what "cancelled" meant in point 6.2. MA confirmed that this means where damp and mould had been reported and either the contractor or SEH team member cannot gain access to the property the job is cancelled. A notice would then be left with the tenant to request they make contact to arrange a further appointment. MO requested that in future the report notes this. MA agreed to confirm to KH that the report would provide this information in future.	MA
10.3	DJ sought clarity as to whether the root cause is investigated regarding DMC or whether the symptoms only are treated, and it would be a useful insight for the Board to be able to understand this further. MA confirmed that the Housing Maintenance Manager is analysing the current information, and a more detailed report will be provided to the Board at the next meeting. MA agreed to progress with KH.	MA
10.4	CS requested that further clarification be noted in the report as to what is classed as "completed". MA agreed to progress with KH to provide greater detail in future Board reports.	MA
10.5	PP expressed concern that where access had not been possible that no other follow up with the tenant took place other than a card being dropped requesting the tenant make access. PP suggested that it may be due to vulnerabilities/complex needs that the tenant did not follow up with the card. MA confirmed that there is a difficult access co-ordinator who would deal with non-access and MA agreed to speak to KH to review the process regarding following up following a card drop.	MA
10.6	MG noted that DMC was a critical issue and risk for the organisation which is a developing area for SEH and the whole sector and therefore comments and questions are helpful for Officers in terms of looking to develop avenues to report activities and responsibility in this area back to the Board. MG noted that KH is part of a wider group in conjunction with SCC looking at the wider issues of DMC and suggested that either at the next Board meeting or A&R Committee meeting that this topic be looked at in more detail. The Board agreed that this would be a welcome item on future A&R Committee agendas. CC to add to Agenda and forward plan.	CC
10.7	Recommendation:	
i)	The Board noted the content of the report.	

<p>11.</p> <p>11.1</p> <p>11.2</p> <p>11.3</p> <p>11.4</p> <p>i)</p> <p>ii)</p> <p>iii)</p>	<p>Health & Safety Compliance Report</p> <p>In KH's absence MA provided an overview of the report and noted there are a number of performance indicators on compliance which did not meet target due to the late delivery of certificates over the December test cycle. MA had been assured by the property services manager that the certificates had been received since the report was written and that compliance is now at 100%.</p> <p>CM noted that whilst the report confirms the reason for non-compliance is the absence of certificates, he requested that the report also confirm that the tests have been undertaken. DL confirmed that KH takes the view that 100% compliance cannot be noted until the certificates were received. The Board requested that the report contain the reasons for non-compliance and assurance from contractor that the tests had been undertaken. MA agreed to discuss with KH to ensure future dates contain this information.</p> <p>DJ sought clarity as to whether it is expected that there will be full compliance at year end and requested the report provided the expected year end forecast. MA clarified for DJ that the team included a fire safety manager and building safety manager who manage all aspects of fire and building safety. MA confirmed that it is anticipated that all programmes will deliver 100% at year end, particularly in common areas and additional resources have been made available regarding asbestos testing in order to achieve this.</p> <p>Recommendations:</p> <p>The Board noted the metrics as the Corporate Compliance Position Statement and the statements in sections 4 to 10 of this report.</p> <p>The Board noted the actions being taken to regularise positions where required.</p> <p>The Board noted the statement in paragraph 6.12</p>	<p>MA</p>
<p>12.</p> <p>12.1</p> <p>12.2</p>	<p>Company Assurance Report as at 31 December 2023</p> <p>DL provided an overview of the report.</p> <p>DL noted an error on the performance report for gas safety. 99.96% should have been noted as per the building safety metrics and not 100% shown in this report – this had been due to system rounding.</p>	

12.3	It was noted that although Morgan Sindall's (MS) repairs are out of target the figure still compares favourably against the sector. Voids turnaround had dropped, this was mainly due to the secondary contractor closing for the 2-week Christmas period. MA confirmed that in order to improve the turnaround a further contractor is being onboarded.	
12.4	It is expected that the Decent Homes standard will be at 2.5% at year end. This has been due to issues with rewires and boiler replacement following non or difficult access preventing works from being carried out.	
12.5	Rent collection figures for this month are lower due to no direct debit batch being included in December, due to the way in which the weeks are counted for rents. January will see 2 direct debit batches being included in the figures instead which should rectify the position.	
12.6	MT sought clarity as to how the voids at Queensway effect the repairs budget. DL confirmed that works on properties that had been held empty as part of the regeneration is being funded through the Capital programme so will not affect the overspend on the repairs budget	
12.7	DJ sought clarity as to why we are in Q4 of the benchmarking for the cost of supportive housing. DL confirmed that compared to peers SEH has a larger % of stock that is sheltered accommodation which is more costly to run. Approximately 24% of SEH stock is sheltered housing and the peer group average is 8%, therefore making SEH stock more expensive to fund.	
12.8	MO and DJ both sought reassurance that the measure in the benchmarking table was correct. DL agreed to check to see if the measure is across the whole stock and noted the benchmarking just provides an indication of where SEH are when compared to peers and that assumptions might be different across organisations.	DL
12.9	MO sought clarity regarding the total cost for ASB per property and the reasons ie could we be in this quartile as we experience a lot of ASB and that is why expenditure is high. DL agreed to provide additional information as to why SEH is in Q4 and distribute to the Board.	DL

<p>12.10</p> <p>i)</p> <p>ii)</p>	<p>Recommendations:</p> <p>The Board noted the update provided on financial information as at December 2023.</p> <p>The Board noted the Key Performance Indicators position as at December 2023.</p>	
<p>13.</p> <p>13.1</p> <p>13.2</p> <p>13.3</p> <p>13.4</p> <p>i)</p> <p>ii)</p>	<p>Budget 2024/25 (including Performance Target Setting)</p> <p>DL provided an overview of the report and confirmed that the final budget requires Cabinet approval. DL had worked closely with colleagues in SCC to limit the impact on the management fee and SCC have been kept up to date where costs have been incurred outside of SEH control, ie pay increases that are agreed by the Union.</p> <p>DJ sought clarity within the performance targets where they had been lowered and the reasons to justify this. DL confirmed that where targets had been altered this had been in line with the annual perception survey results and targets are set at the median position for 2022/23. A decline in satisfaction has been seen across the peer group year on year and the targets are being set as realistically as possible. Once the results from the 2023/24 survey have been analysed the performance targets will be reviewed and returned to the Board based on those results.</p> <p>BG agreed to meet with MT outside of the meeting to discuss SCC's waste procurement contract and will report back the outcomes at the next Board meeting.</p> <p>Recommendations:</p> <p>The Board agreed the proposed budget for 2024/25</p> <p>The Board agreed the Key Performance Indicators for 2024/25 for further negotiations and discussion with Southend on Sea City Council.</p>	<p>BG</p>
<p>14.</p> <p>14.1</p> <p>14.2</p> <p>i)</p>	<p>Review of Financial Regulations</p> <p>DL provided an overview. There were no questions regarding the agenda item.</p> <p>Recommendation:</p> <p>The Board agreed the Financial Regulations as recommended by the Audit & Risk Committee.</p>	

15.	Business Plan Action Plan Update Report	
15.1	DL provided an overview of the report.	
15.2	DL confirmed for RE that all works relating to the redevelopment of Roots Hall and Fossetts Farm is currently paused.	
15.3	Recommendation:	
i)	The Board noted the Business Plan Update	
16.	Update on retaining DAHA Accreditation	
16.1	SL provided an overview of the report.	
16.2	There were no questions related to this agenda item.	
16.3	Recommendation:	
i)	The Board noted the content of this report.	
17	Minutes from the Audit & Risk Committee meeting held 14 December 2023	
17.1	DJ provided an overview of items that had been discussed at the Audit & Risk Committee meeting.	
17.2	RE noted the section in the Minutes regarding an issue with S20 notice. DL confirmed that the error had been a typo on the S20 documentation that had quoted the incorrect S20 regulation. The process and templates have been updated to ensure this does not happen in future.	
17.3	The Board noted the Minutes from the meeting.	
22.	Date of next meeting 28 March 2024 – in person Civic Centre	



Chris March
Chair of Board

Date 28/3/24