



South Essex Homes Limited

Minutes of Board Meeting

Date: 18 July 2024

Start: 3.00pm End: 6.00pm

Via MS Teams

Minutes

Present Chris March (CM) – Chair; Roger Eastwood (RE) – Vice Chair; Chris Silvey (CS); Keith Ducker (KD), David Joyce (DJ), Sacha Jevans (SJ), Michael Oxley (MO); Anne Jones (AJ); Jane Norman (AN); Margaret Borton (MB)

In attendance: Mike Gattrell (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, Kevin Hazlewood (KH) – Director Operations (Property); Glyn Halksworth (GH) – Director of Regeneration, Housing & Regulatory Services SCC; Chris Bellis-Wright (CBW) – Housing Client Relationship Manager SCC;

Tenant Observer: Majzoub Ali – Public Meeting Only

	PUBLIC	Action
1.	Welcome and Introductions	
1.1	CM welcomed everyone to the meeting. It was noted that the meeting was being recorded so Minutes could be transcribed.	
2.	Apologies for Absence	
2.1	PP was unable to log on due to an issue with Teams.	

3.	Declarations of Interest	
3.1	MB declared an interest regarding the Southend Multiculture Group as a trustee and in SCOG helping at Balmoral at the monthly coffee morning.	
3.2	Sacha Jevans declaration was noted as her being Chair of the SEPS and SEFM Boards.	
4.	Public Draft Minutes and Matters Arising from meeting held 28 March 2024	
4.1	The Minutes were agreed as a true and accurate record of the meeting.	
5.	Draft Minutes & Matters Arising from Extraordinary Board meeting 20 June 2024	
5.1	The Minutes were agreed as a true and accurate record of the meeting.	
6.	Chair's Remarks	
6.1	CM reported the NFA (National Federation of ALMOs) recently held elections for Board members. MG was elected to the Board ensuring representation for SEH on the NFA board.	
6.2	CM shared a briefing note prepared by SL regarding the Social Housing Regulation Act, which received Royal Assent in July last year. The Regulator of Social Housing has developed four consumer standards applicable to all registered providers of social housing. Providers may receive short-notice inspections to ensure compliance with these standards. Ratings from C1 (clear compliance) to C4 (serious failings) will be given. There is a direct relationship between the Regulator and SCC as the registered provider. However, collaboration with SEH is crucial for housing management.	
6.3	CM informed the Board that SCC and SEH commissioned Savills Consultancy to conduct a risk-based assessment and gap analysis against consumer standards.	

<p>6.4</p> <p>6.5</p> <p>6.6</p> <p>6.7</p>	<p>The assessment, while generally positive, identified areas for improvement, including:</p> <ul style="list-style-type: none"> • Ensuring 100% compliance and independent verification of stock condition data. • Factoring various metrics into investment plans, such as responsive repairs, satisfaction surveys, complaints, and tenant needs. • Enhancing communication with tenants about improvement plans. • Developing a specific repairs policy with transparency and accountability. • Gathering comprehensive data on residents' protected characteristics and vulnerabilities. • Ensuring proper accountability to tenants and effective service scrutiny. • Providing consistent information to demonstrate the effectiveness of resident engagement structures. <p>Officers have begun drafting an action plan to address the identified priority areas. This plan will be monitored by a Consumer Standards Improvement Board comprising relevant SEH and SCC managers, chaired by SCC's Head of Housing Supply. Regular updates on progress will be provided to the Board to ensure preparedness for potential inspections.</p> <p>CM noted the importance of all Board members completing paperwork associated with SIA accreditation to enable SEPS to bid for security business lines. Paperwork should be completed as soon as possible.</p> <p>CM announced that this is MA's last meeting as he is retiring. MA expressed confidence in the current Executive Management Team and thanked the Board for their support and balanced approach. On behalf of the Board CM congratulated MA on his successful long service and wished MA an enjoyable retirement.</p>	<p style="text-align: center;">SL</p>
<p>7.</p> <p>7.1</p> <p>7.2</p>	<p>Residents' Voice Your View</p> <p>DL presented the Residents' Voice Your View and read out the response.</p> <p>The Board noted this item. The Residents' Voice your View will be available on the website.</p>	
<p>8.</p> <p>8.1</p>	<p>Governance & Stewardship Report</p> <p>DL provided an overview of the report.</p>	

8.2	It was noted that recruitment to the Board will be discussed in the confidential part of the meeting. .	
8.3	It was noted that KD has been the Board’s Complaints Champion, however the HO recommends that the Member Responsible for Complaints (MRC) is a Council Member.	
8.4	It is proposed that a new role of Residents’ Complaints Champion (RCC) be established which will involve residents in the complaints process, ensuring residents have a say in its operation and outcomes. The RCC will liaise with staff at SEH and the Council's appointed MRC. The Board formally agreed to establish the role of RCC with KD being appointed to the role.	
8.5	Recommendations:	
i)	The Board agreed to appoint KD to the role of Residents’ Complaints Champion.	
ii)	The Board agreed the appointments to the vacant Committee roles.	
iii)	The Board agreed the Group Commercial Committee’s Terms of Reference.	
iv)	The Board agreed the Group Commercial Committee’s Forward Plan.	
v)	The Board noted the update and action taken by the Group Commercial Committee.	
vi)	The Board agreed the updated Board Member Expenses Policy.	
vii)	The Board agreed the updated Staff Expenses Policy.	
viii)	The Board agreed the updated Board Member Code of Governance.	
ix)	The Board agreed the updated Board Member Code of Conduct.	
x)	The Board agreed the Audit & Risk Committee’s annual report and annual governance statement.	
xi)	The Board noted the appointments of Chair and Vice Chair to the subsidiary Boards.	

<p>9.</p> <p>9.1</p> <p>9.2</p> <p>9.3</p> <p>9.4</p> <p>9.5</p> <p>i)</p>	<p>Business Plan 2023-2026 update</p> <p>DL provided an overview of the report.</p> <p>DL presented the annual revision of the business plan.</p> <p>RE reiterated the importance of explicitly mentioning complaints management and learning from them within the plan.</p> <p>DL agreed to incorporate RE’s suggestions, indicating that complaints were already part of the Business Plan under managing governance responsibilities, but DL would also add it to the service delivery improvement section.</p> <p>Recommendation:</p> <p>The Board agreed the South Essex Homes’ Business Plan for 2023-2026 and the associated Action Plan.</p>	<p>DL</p>
<p>10.</p> <p>10.1</p> <p>10.2</p> <p>10.3</p> <p>10.4</p> <p>10.5</p>	<p>Company Assurance Report</p> <p>DL provided a brief overview of the company assurance report. DL advised that the figures for June were not available due to ongoing audits and that he would provide an update to the Board electronically once available.</p> <p>DL explained the need to adjust heating charges for the 2024-25 period. Initial charges were based on anticipated gas prices, which were expected to drop by 3.5% in April. However, the actual reduction has been significantly greater approximately 50%. DL proposed to align charges with the actual cost of gas, a revised heating charge will be introduced from 2nd September 2024.</p> <p>DL assured the Board that residents are kept informed about changes in heating charges. Regular updates are provided through written communication, and a letter will be sent once the reduction is confirmed. This will be followed by a statutory rent notification giving residents four weeks' notice of any changes.</p> <p>MB sought clarity regarding the decision to apply refunds for overcharging directly to rent accounts rather than issuing payments to tenants.</p> <p>DL explained that refunding directly to rent accounts is more efficient than contacting each tenant individually for bank details. With a large number of residents potentially involved, applying credits to rent accounts streamlines the process and avoids delays. However, tenants are also able to request a direct refund by contacting the team. The letter to tenants will provide clear information regarding this.</p>	<p>DL</p>

10.6	KD raised concerns about Appendix 6, noting that it includes detailed information on heating charges and addresses. KD sought clarity as to whether such detailed information should be public and accessible.	
10.7	DL agreed that whilst publishing heating and service charges is encouraged, the detailed information in the appendix might not have been necessary and acknowledged the need for careful consideration regarding what information is made public.	
10.8	KD expressed concern that residents might not be informed about the heating charge adjustments promptly and that this could lead to complaints. DL confirmed that letters informing residents of the heating charge reduction will be sent out in the next couple of days, ensuring they receive the information before it becomes public.	
10.9	MB enquired about the high costs associated with agency staff, including, the number of agency staff employed, efforts to recruit permanent staff and the impact of staff redundancies on current agency costs.	
10.10	DL reported SEH employs approximately 15 to 20 agency staff at any time. Agency staff are used to fill gaps, especially in specialist and technical roles where recruitment is challenging. Agency staff are also used to evaluate their suitability to the role with a view to them becoming permanent members of the team. Efforts are underway to reduce reliance on agency staff by enhancing recruitment strategies and converting temporary staff to permanent where appropriate.	
10.11	MB enquired if there is a limit or target set for agency staff spending to prevent indefinite increases in costs.	
10.12	DL clarified that while there is no self-imposed limit on agency staff costs, each agency worker covers a vacancy that was budgeted for. The costs of agency staff are generally higher than permanent staff, but the total expense includes both the cost of agency workers and the savings from not hiring permanent staff. Analysis will be undertaken to better understand the cost difference between maintaining a full establishment of permanent staff versus relying on agency staff, aiming to better understand and manage these costs. Regular updates will be provided to the Board via the P&R Committee.	DL
10.13	CM sought clarity regarding the specification of 80 new boilers planned for this year, particularly in terms of their longevity and adherence to sustainability regulations.	

10.14	KH confirmed that the company aims to use the most efficient boilers available and considers dual-fuel options to allow future conversion to alternative fuel sources if needed. The sector is evolving, with expectations that gas-powered boilers might be phased out in the coming decades. New boilers are chosen for their efficiency and expected lifespan, which typically ranges between 15 to 20 years.	
10.15	CM questioned the two-year timeline for converting 9 ex-SHO units into flats, expressing concern over lost revenue.	
10.16	KH explained that the extended timeline was due to funding availability and the extensive nature of the work involved to adapt ex-SHO properties into general needs properties. A significant investment of over £1,000,000 was needed which required careful planning and execution.	
10.17	Recommendations:	
i)	The Board reviewed and considered South Essex Homes' financial performance based on information as of 31st May 2024.	
ii)	The Board noted the performance as set out in the Key Performance Indicator Report as at 31st May 2024.	
iii)	The Board noted the 2023/24 TSM results and initial benchmarking information.	
11.	Health & Safety Compliance Report	
11.1	KH presented the report on the current position with building health and safety, as detailed in Appendix 1.	
11.2	KH highlighted a recent Housing Ombudsman press release regarding window safety and delays in window work. KH reassured the Board that all high-rise buildings have window restrictors installed and checked as part of the fire door maintenance program. KH agreed to include this information in future metrics.	
11.3	MO noted that some compliance levels, such as communal extractor fan testing and inspection, showed 0% compliance and sought assurance actions are being taken to address the low compliance levels.	
11.4	KH confirmed that issues are being addressed with the contractor and closely monitored to ensure that issues are addressed.	

11.5	AJ expressed interest in understanding the asbestos management process, particularly in domestic settings. KH agreed to arrange a meeting for separate discussion.	KH
11.6	MB sought clarity regarding issues with access for inspections to non-domestic lifts and the compliance implications. MB was particularly concerned about the 19 locations where access is a problem and asked when full compliance would be achieved.	
11.7	KH explained the statement in 8.7 that the partial compliance is due to outstanding LOLER (Lifting Operations and Lifting Equipment Regulations) inspections for lifts awaiting refurbishment. For domestic lifts (stair lifts, through-floor lifts), the challenge involves coordinating with residents who have specific support needs. Efforts are being made to improve access and planning for inspections.	
11.8	RE sought clarity concerning reporting failures related to air vents and other safety equipment to Essex Fire and Rescue Service, especially in high-rise buildings.	
11.9	KH confirmed that reporting is part of the high-rise registration regime. Any active firefighting equipment, including lifts out of service for more than 24 hours must be reported to ensure that emergency services are informed of the conditions they might encounter.	
11.10	KH clarified for JN that the insurance covers liability in case of personal injury resulting from lift failures. It ensures that if there is an accident related to the lift, the insurance will handle claims made against the organisation. The insurance also involves an independent assessment of lift safety by appointed engineers, who can instruct SEH to take lifts out of service if necessary.	
11.11	KH confirmed for JN that if the insurance assessors find a lift unsafe, they can direct SEH to make necessary changes or replace the lift. The assessors are informed through regular inspections and reports from the maintenance teams.	
11.12	DJ sought reassurance regarding ventilation systems in sheltered housing schemes, specifically their ability to handle fire safety functions such as controlling smoke and preventing flame spread.	
11.13	KH provided assurances that fire risk assessments are conducted by qualified assessors who evaluate the effectiveness of ventilation systems in fire situations.	

11.14	There is a program in place to update ventilation systems in high-rise buildings to ensure they meet fire safety standards. This includes using fire-resistant coatings that expand under high temperatures. There is ongoing validation of fire protection measures, including ventilation and compartmentation, which is conducted in sheltered and hostel buildings to ensure compliance and safety.	
11.15	<p>Recommendations:</p> <p>i) The Board noted the metrics as the Corporate Compliance Position Statement and the statements in sections 4 to 10 of this report</p> <p>ii) The Board noted the actions being taken to regularise positions where required</p> <p>iii) The Board noted the comments in paragraph 3.6</p>	
12.	<p>Damp, Mould & Condensation Update</p> <p>12.1 KH provided an update on the action plan detailed in Appendix 1 of the report, focusing on mould and condensation issues.</p> <p>12.2 KH proposed reporting the number of live cases (currently 30, or 0.5% of the housing stock) for clearer oversight.</p> <p>12.3 RE expressed preference for using actual numbers over percentages for clarity and emphasised the importance of understanding the scope of mould and condensation issues.</p> <p>12.4 KH confirmed that the percentage metric aligns with sector measures but acknowledged that numbers are more meaningful</p> <p>12.5 KH announced plans to run a post-summer campaign encouraging residents to report new or recurring issues with damp and mould.</p> <p>12.6 KH mentioned the impact of the Social Housing Decarbonisation Fund (SHDF) in improving housing conditions, though currently limited to 110 homes. Discussions are ongoing about mainstreaming this investment</p> <p>12.7 DJ sought clarity regarding the number of open disrepair cases and their status, specifically how many are unresolved and potentially heading to court. DJ requested information on cases that have been lost and the lessons learned from them.</p> <p>12.8 KH acknowledged the need for more detailed information on disrepair cases, noting there have been no court actions in the past two years.</p>	

12.9	KH agreed to collate and provide information on open disrepair cases and lessons learned from past cases.	KH
12.10	GH supported adopting damp, mould, and condensation as the seventh health and safety hazard, aligning with sector practices.	
12.11	GH highlighted the importance of consistency with sector standards and demonstrating seriousness to external partners like the Regulator of Social Housing and the HO.	
12.12	The Board discussed the SHDF and the ongoing efforts to secure funding for improving housing conditions.	
12.13	Recommendations:	
i)	The Board noted the contents of this report.	
ii)	The Board provided its views on the matter in paragraph 4.5.	
13.	Empty Properties Report	KH
13.1	KH provided an overview of the report.	
13.2	The Board discussed the fluctuating number of void properties and sought clarity as to the actions being taken to implement improvements.	
13.3	KH confirmed that the challenges resulting from the previous maintenance contract had seen the voids works be placed with other contractors, however this had not been as successful as it was hoped which is highlighted in the void turnaround figures. KH confirmed that a Voids Panel has been established with attendees from both SCC and SEH which looks to provide greater oversight and reduce the turnaround times for voids properties.	
13.4	It was noted that the number of held properties had been reduced to 155 with 33 properties on the Queensway Estate being brought back into use.	
13.5	KH acknowledged a mathematical error in section 5.1 of the report which will be updated for the next meeting.	
13.6	KH emphasised the positive early signs from the new contractor and the goal to maintain no more than 100 void properties at any one time.	

13.7	DJ requested that in future reports there is greater analysis on the reasons for delay and detail of the contributing factors as to where the delay lies, ie contractor delay, SCC delay (allocations/NOMS), SEH delay. This would provide assurance to the Board that SEH are fulfilling their responsibilities and not solely blaming the contractor.	KH
13.8	KH acknowledged the challenging commercial decision by the previous maintenance contractor and the impact on void management but agreed the need for more granular detail in relation to delays being reported to the Board. KH agreed to provide a more detailed Board report going forward.	
13.9	DJ highlighted the importance of the Board understanding key issues, particularly resource constraints, that impact void management and suggested that the Board could assist in addressing resource issues, thereby improving the overall process.	
13.10	RE commented on the significance of analysing properties based on their size and the length of previous occupancy. RE noted that larger properties and those occupied for longer periods typically require more extensive work.	
13.11	KH clarified for RE that there is a published void standard available on the website.	
13.12	RE expressed concern about properties adapted for residents with disabilities, questioning the approach to reallocation and potential delays caused by matching needs.	
13.13	KH explained that matching residents to adapted properties can cause delays but is essential for meeting individual needs. KH reported that the Voids Panel is working to improve oversight and efficiency in this area.	
13.14	Recommendations	
i)	The Board noted the contents of the report.	
ii)	The Board agreed to receiving a follow-on report at a subsequent Board meeting.	
14.	Resident Engagement Strategy Report including CVCA update	
14.1	SL provided an update on resident engagement activities and community development work.	

14.2	SL reported on the Southend Community Matters Charity established to enhance engagement and community development efforts.	
14.3	The Charity Board includes members from SEH, SCC, ATF, and community representatives.	
14.4	The first bid to the Charity Commission was rejected due to non-charitable objectives, despite aligning with other similar charities. After revising the application, the second submission was successful.	
14.5	AJ emphasised the need to increase awareness and visibility of charities to avoid competition and duplication of efforts. Both AJ and MB expressed interest in being more informed and involved to better support and champion community projects.	
14.6	SL acknowledged this and highlighted the potential support through Community Investment Levy (CIL) funding for smaller projects	
14.7	CS suggested that smaller, resident-led projects could benefit from the support of the new contractor, Axis Europe. CS noted that the previous contractor had provided both financial and in-kind resources, which were beneficial for community projects.	
14.8	SL agreed on the importance of social value and confirmed that Axis Europe would be involved in community engagement from the start.	
14.9	KH explained that all contractors that had bid for the R&M contract were required to provide a social value statement and offer. Axis Europe is eager to engage with residents to understand their needs and provide support. KH acknowledged the positive contributions of the previous maintenance contractor, especially in educational services, and emphasised the importance of continuing such efforts with the new contractor.	
14.10	Recommendations:	
i)	The Board noted activities undertaken by SEH and through partnership with ATF to meet the commitments we have made in our 'Residents Charter – our Engagement Strategy 2022-27'.	
ii)	The Board noted progress in developing the charity 'Southend Community Matters' as a vehicle to continue to work with our residents, improve their capacity and skills, contribute towards making our communities safer, more sustainable and increase resident satisfaction.	

15.	Community Safety Strategy Annual Review	
15.1	SL presented the annual review of the Community Safety Strategy.	
15.2	The Board was provided with detailed information on how ASB is managed, highlighting SEH' commitment to minimising the impact of ASB on residents' lives.	
15.3	AJ suggested promoting any relevant information to enhance community safety and awareness.	
15.4	Recommendations:	
i)	The Board noted the content of the report.	
ii)	The Board endorsed the Community Safety Strategy 2024-27.	
16.	Draft Unaudited Accounts 2023/24	
16.1	DL presented the group's financial position as of the end of March 2024.	
16.2	DL confirmed that Scrutton Bland, auditors have recently been on site, and while the audit is nearly complete, a few final details are being addressed. The audited accounts will be presented at the next Board meeting in October	
16.3	Recommendations:	
i)	The Board reviewed and considered South Essex Homes' financial performance based on information as of 31 March 2024.	
ii)	The Board noted the Unaudited Draft Financial Statements for 2023/24.	
17.	Draft Minutes from the Audit & Risk Committee meeting 27 June 2024	
17.1	DJ reported the Audit and Risk Committee discussed the joint value for money Strategy which was agreed.	
17.2	DL provided assurance to the Board from the Audit and Risk Committee's compliance with the changes in procurement law.	
17.3	The Board noted the draft minutes from the Audit & Risk Committee meeting 27 June 2024	

Chris March
Chair

Date