

## Minutes from Board meeting - Non-Confidential held 29<sup>th</sup> November 2023

Attendance	Martin Surl (MS) (Chair), Christine Gore (CG) (Vice Chair), Cllr Glenn Andrews (GA), Trish Blain (TB), David Clowes (DC), Sarah Godfrey (SG), Ian Mason (IM), Cllr Richard Pineger (RP), Andrew Parfitt (AP) ( <i>attended remotely</i> ), John Rawson (JR) ( <i>attended remotely</i> ), Steve Slater (SS), Arthur Dzido (AD), Emma Wall (EW), Adam Waller (AW)
Recorder	Rhian Watts (RW)
Apologies	Cllr Victoria Atherstone (VA), Alison Salter (AS)
Quorate?	Yes

Item	Notes	Action for
1	<p>Meeting commenced at 17:30</p> <p>Apologies received from VA and AS.</p> <p>No declarations of interest.</p>	
2	<p><u>Development Update</u></p> <p>Please see confidential minutes.</p>	
3	<p><u>CBH transition progress update (verbal)</u></p> <p>Please see confidential minutes.</p>	
4	<p><u>CEO Report</u></p> <p>SS introduced the CEO report and highlighted the fantastic news that the Department for Levelling Up, Housing and Communities (DLUHC) have pledged £20m to the Golden Valley development. He commented that this was a huge boost to a challenging but groundbreaking project. SS noted that the report showed the wide range of activities still ongoing to support our communities. He highlighted the start of the Monkscroft</p>	

	<p>Neighbourhood Works Programme, the range of wonderful community events and the Help2 volunteering work. He explained that a Help2 store has been set up at Oakley Resource Centre where donations from colleagues and partners, including Dunelm, can be collected and redistributed to vulnerable customers. SS highlighted that the Help2 programme shows the spirit of CBH. SS and the Board offered their thanks to all colleagues involved in this work.</p> <p>IM highlighted how positive it was to see the Monkscroft Neighbourhood Works Programme begin. He commented that this had been a long-term ambition and that a great relationship has been built between residents, the contract team and workers. IM noted that concerns have been raised by leaseholders due to delayed works all coming together, leading to significant and challenging financial contributions. He explained that discussions are ongoing with leaseholders but suggested it would be good to learn lessons from this experience to ensure that leaseholders are not forced into food or fuel poverty.</p> <p>The Board considered and provided feedback on the content of the report.</p>	
5	<p><u>Confirmation of the Written Resolution (Verbal)</u></p> <p>AD confirmed to the Board that following the approved process for a Written Resolution, approval had been granted to implement the final Local Government pay award for 2023/24 for payment in the November payroll with additional funding as set out in the issued report. He explained that all Board members had voted to approve the proposal, with one approval received after the voting deadline. AD thanked the Board for their support in expediting this process which had allowed colleagues' increase and backpay to be issued as part of their November pay packet. EW echoed her thanks and noted that this had been very positively received by colleagues.</p> <p>The Board noted the content of the verbal update.</p>	



6	<p><u>Feedback from the Audit &amp; Risk Committee</u></p> <p>JR updated the Board on the Audit &amp; Risk Committee meeting on the 9 November. He noted that they had reviewed the updated Financial Regulations and discussed the limited use of cash transactions. JR noted that the Gas Safety Policy had also been reviewed and recommended to Board for approval. He also highlighted the work of the Counter Fraud and Enforcement Unit which had led to 30 erroneous applications being removed from the housing waiting list and noted the significant impact this would have.</p> <p>The Board noted the content of the report.</p>	
7	<p><u>Agree non-confidential minutes and actions of the 25.10.23 meeting and to note progress on current action points</u></p> <p>DC commented on the excellent and robust minutes captured and thanked RW and the Governance Team for the work carried out.</p> <p>The Board agreed the non-confidential minutes of the 25.10.23 meeting as a true record and noted progress on current action points.</p>	
8	<p><u>Draft CBH budgets and performance targets 2024 – 2025</u></p> <p>AD introduced the draft CBH budgets and performance targets and explained that following Board approval these would be submitted to CBC for review before being brought back to Board for final approval in January 2024. He confirmed that the budget had been discussed with CBC and they had asked CBH to prepare a business-as-usual budget without any additional budget for the transition. AD explained that a number of assumptions had been used to prepare the budget using financial modelling and taking a pragmatic approach due to the current market. He highlighted that these assumptions included a predicted 5% pay increase, higher costs for subcontractors due to the ongoing recruitment difficulty and major void works, and the same pension contributions as used in 2023-2024. AD noted that pension contribution actually paid this year and also set in the budget of 19.7% was 0.7%</p>	

higher than the budget figure set for current year, as the contribution rate has been agreed with actuarial post budget approval process. He confirmed that we have also seen an increase in roles within the Technical and Investment Team to deliver the required compliance work. AD confirmed that the planned kitchen programme scheduled to start in 2024 and retrofitting will require additional resources. He noted that there are also extra roles related to housing support which have been funded by external funding, only a partially through the year. AD added that there are other roles that have not been recruited to at the current time which has provided savings.

AD confirmed that the assumption for inflation of non-colleague costs had been increased from 5% to 6%. AD highlighted that areas like inflation are very hard to predict but had been discussed with other ALMOs and the Regulator for Social Housing (RSH). He noted that the government's rent advice had been updated since the report was issued, with the anticipated rent cap removed and set to CPI (consumer price index) +1% as of September. AD explained that we are currently waiting for confirmation from CBC of whether they are accepting a rent increase of 7.7% which would be higher than the currently budgeted income figures by around £140k. He highlighted that compared to the 2023-24 budget we are anticipating a reduction of the deficit and an increase in expenditure of around 10% which will be primarily funded from the HRA by the management fee if agreed by CBC. AD noted that it was proposed that the Help2 initiative would continue to be subsidised from CBH reserves as previously approved by Board.

JR asked whether the rent cap may be lower than expected. AD explained that the Department for Levelling Up, Housing and Communities (DLUHC) had confirmed that they will not be capping the rent this year. He noted that CBC may choose to introduce their own cap.

JR noted that currently pension funds are reported as performing well and asked for the rationale behind increasing the pension contribution. AD explained that we were negotiating with the pension funds in January with the aim of lowering our contribution to 19%. He confirmed



	<p>that due to the consideration of averages the minimum they were willing to accept up to 2024-25 was 19.7%.</p> <p>DC asked whether increasing roles within the Technical and Investment Team had followed usual robust processes and had been adequately challenged within the business. He also asked whether these additional roles would be included in the TUPE arrangements. AD confirmed that the budget and additional roles had been discussed with the Executive Team, Heads of Service and Finance Team to ensure that our approach is pragmatic, deliverable and reflects the point we are in the transition. He explained that the assumption is that if the roles are appointed before March, they will be included in the TUPE process. AD noted, however, that these roles had not been included in the current budget so any recruitment before March will need to be brought to Board and CBC for approval. EW commented that the additional roles had been discussed with Gemma Bell (CBC Director of Finance and Assets) who has backed the proposal.</p> <p>MS asked whether the budget reflected the cut in National Insurance in January 2024. AD explained that whilst employee contribution was being lowered, the employer contribution was set to remain the same. He noted that the increase in the national minimum wage would also not impact CBH.</p> <p>AW introduced the proposed KPI targets for 2024-25 and explained that these were the KPIs highlighted in the HRA Business Plan and contain performance, satisfaction and compliance measures.</p> <p>IM highlighted the KPI <i>% Rent lost through CBC dwellings becoming vacant excluding temp furnished (includes minor and major voids)</i> and asked for clarification on what constitutes a major void and why this target had been changed. AW explained that major voids are properties where improvement works, such as kitchen or bathroom replacements, will take longer to complete leading to a longer period of lost rent. EW confirmed that the target had been changed as we are expecting a higher number of major voids in 2024-25. She highlighted that kitchen and bathroom replacements are currently being procured and are</p>	
--	--	--

	<p>expected to go live in April 2024. EW explained that this will enable us to return voids at a quicker pace but that it will need a bedding in period. She noted that we are also carrying out asbestos work in void flats at a number of blocks. EW explained that this work could be carried out as a programme, but this would have created significant disruption for customers who would have been required to move out for up to 30 days. TB commented that the Tenant Scrutiny Improvement Panel (TSIP) had recommended to Board that works should be carried out at void stage where possible.</p> <p>RP asked for further information in relation to the KPI for '<i>Successful homelessness outcomes</i>', noting that the narrative was missing. AW apologised that this was missing and confirmed the information would be recirculated. EW explained that this figure related to each property where people have been processed to prevent homelessness. SS highlighted that this is an indicator used to show the work carried out by the Housing Options Team.</p> <p><b>ACTION</b> – Recirculate missing narrative for 'Successful homelessness outcomes' to Board.</p> <p>DC highlighted the red rating for the KPIs relating to 'Tenant Satisfaction Measures (TSM) % tenants satisfied with landlord approach to handling complaints' and 'TSM % satisfaction of tenants with communal areas about the maintenance of the areas' and asked whether any root causes were emerging in either of these areas. AW noted that whilst both of these were rated red, they were ranked in the top quartile for the mid-year figures provided by Housemark. He confirmed that we are doing work with Acuity to identify what is happening behind these figures. SS commented that the complaints TSM has been particularly challenging for the sector as a whole, as it is not clear to residents whether they are being asked whether they are dissatisfied with the outcome or process of a complaint. He noted that there were strict guidelines for the advice that can be given to residents during surveying to ensure that their answers are not being influenced. SS noted that this was a satisfaction indicator that needed further discussion and review across the sector.</p>	<p>AW</p>
--	--	-----------



	<p>SS confirmed that we are working on the issue with communal areas to ensure these are improved and that ongoing discussions were taking place across the organisation. MS agreed that it was important to identify whether the dissatisfaction was spread equally or restricted to 2 or 3 blocks. AD confirmed that an indicative report had been provided to identify groups of complaints across the map of our properties. He noted that a complicating factor may be that some of the issues are outside of CBH control. MS commented that it would be good for Board to receive feedback on this work. SS agreed it would be good to feedback to Board as and when we had further insight on this indicator and others.</p> <p>The Board:</p> <ol style="list-style-type: none"> <li>a. Approved the draft CBH budget and management and maintenance fee requests to CBC for 2024-25, pending any amendments to the assumptions if required.</li> <li>b. Reviewed and provided feedback on the draft strategic performance and satisfaction targets for 2024-25.</li> </ol>	
9	<p><u>Gas Safety Policy</u></p> <p>EW introduced the updated Gas Safety Policy and confirmed that it had been reviewed by the Audit &amp; Risk Committee and recommended to Board for approval. She noted that, bar the changes made to take account of the Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022, this policy had also been reviewed and externally validated as part of the Pennington Choices Healthcheck.</p> <p>The Board approved the revised Gas Safety Policy.</p>	
10	<p><u>Updated 2023 – 2024 workplan</u></p> <p>AW introduced the report and explained that following the CBH-CBC transition announcement the remainder of the 2023-24 workplan had been reviewed and revised. He highlighted that this was to ensure that Board continue its core compliance work, remove work that had been paused, and free up Board and officers’ time to allow them to focus on</p>	

<p>the transition. AW noted that it was recommended that the Remuneration &amp; Nominations Committee meeting scheduled for March be cancelled, with the Committee retained in case items emerge that would benefit from their insight. He confirmed that it also was recommended that space continues to be held in diaries for Board-ET Pulse meetings as required.</p> <p>DC commented that he was not comfortable with approving a new workplan without a more thorough understanding of what items had been removed. AW explained that updates on Damp, Mould and Condensation (DMC), the People Plan, Equality, Diversity and Inclusion (EDI) and the Asset Management Plan had been reviewed, alongside policy reviews relating to Non-Executive Directors and Executive Team remuneration. RW noted that Board had reviewed the Asset Management Plan in June 2023.</p> <p>DC commented that DMC was a significant focus and asked whether there were concerns that this was not scheduled for review. EW explained that following consideration it was believed that this was now fully embedded in CBH as business as usual. She confirmed that this was included in the compliance report reviewed by Audit &amp; Risk quarterly and was discussed monthly with CBC colleagues. EW noted that a DMC Policy was scheduled for review by Audit &amp; Risk in February with approval by Board. She noted that DMC was also scheduled for discussion by the Executive and Heads of Service in December and was going to be reviewed by Internal Audit in January 2024.</p> <p>DC noted that it was important that there was a clear audit trail behind the Board's decision in this matter. The Board agreed that decision on this item would be deferred for decision until a complete list of removed items had been provided.</p> <p><b>ACTION</b> – Reschedule 2023-24 workplan item with clear audit trail for January 2024</p> <p>Board considered the revised workplan and deferred decision until January 2024 to allow further clarity.</p>	<p>AW/RW</p>
---	--------------



11	Agree confidential minutes and actions of the 25.10.23 meeting  Please see confidential minutes.	
----	--	--

Meeting Closed at 19:45

Signed.....  
Chair of Cheltenham Borough Homes

Date.....31/01/24.....

