

JRHT BOARD

Monday 11 December 2023

Video Conference via Zoom

Present	Terrie Alafat (Chair) Alistair Brown Dan Gray Paul Jenkins David Lunts (to item 8) Gillian Russell Dan Ryan	TA AB DG PJ DL GR DR
In attendance	Paul Kissack Chris Simpson Tracey Preece Stuart Coe Christine Frame Fiona Fischbach (from item 5) Kate Thompson (item 6) Melissa Polkey (item 6) Peter Sanderson (item 6) David Boyes Watson (from item 8) Denise Wright (item 8) Emily Bennett (item 9) Matt Lewer (from item 9) Angela Lomax (DTP, observer) Brenda Boyes (observer, incoming Board Member) Steve Hutcheon (observer, incoming Board Member)	PK CS TP SC CF FF KT MP PS DBW DW EB ML AL BB SH
Minutes	Stephen Lynch	SL
Apologies	-	

Agenda Item Comments	Presenter	Action
1 Introductions, apologies and welcome	TA	
TA welcomed all to the meeting.		
1.1 Register of interests	TA	
TA will send amendments to the register.		CF
Outcome: The Register was noted .		
2 Minutes and actions from the previous meeting (item 3 on the agenda)	TA	
CS thanked AB and DG for help scrutinising the Derwenthorpe heating proposal.		
Outcome: The minutes from the quarterly meeting held on Tuesday 3 October 2023, the online meeting held from 12 October to 6 November 2023 and from the budget scrutiny session meeting held on 6 November 2023 were approved for signature by the Chair. Board noted progress of actions.		
3 Chair's introduction (item 4 on the agenda)	TA	
There was a discussion on the usefulness of online voting agendas. It was agreed that this arrangement works best for items that require approval on narrow topics or to provide updates that enable longer discussion at the quarterly meetings.		
4 CEO report (item 6 on the agenda)	PK	
CS updated on recruitment of new directors. Offers have been made to candidates for the Director of Asset Management and Director of Communities roles. Interviews for the Finance, People and Tech Director position will take place this week and the interview panel for this includes Audit & Risk Committee member Andy Oldale, who brings experience as Executive Director of Finance with a regional housing provider. It is hoped that all new starters will be in place by March 2024.		
Outcome: The report was noted .		
FF joined at this point.		
5 JRHT Executive Director report (item 7 on the agenda)	CS	
There were discussions around: <ul style="list-style-type: none"> • Policy framework review. There was a question on priority order of policy reviews. CS said it's disappointing to find that 75% of policies are overdue for review. It's recognised that there have been past issues in establishing where responsibilities sit within the Group. The 		

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<p>priority policies to be reviewed include those with FLEGAL (Fire, Legionella, Electric, Gas, Asbestos and Lifts) implications, people/HR policies and those policies relating to Care services</p> <ul style="list-style-type: none"> • Empower24 functionality for residents. CS said the system provides an online resident portal. Testing has been undertaken with residents and there's been good level of engagement. PJ attended the most recent Residents Assembly meeting where a preview of the portal was shown and discussed. It is seen as a game-changer in bringing together information and offering guided self-service to residents. A preview of the portal will be shared with Board. • Empower24 'go-live' in January and contingency planning. CS said that go/no-go tests are underway. A challenging meeting will be held with the supplier today around their resourcing for go-live in January. Questions on this have been escalated to the supplier's directors. CS will circulate an email with an update on this situation. • Empower24 contingency planning. CS said that reporting on this has been through Resources Committee and an internal audit report from BDO had been discussed at the Audit & Risk Committee (ARC) meeting in November. PJ, as ARC Chair, updated on the discussion, noting that there has been a robust discussion with BDO and actions agreed. The report delivered a 'limited assurance' but ARC were not unduly concerned as management provided good response and engagement on actions. There is a need to be pragmatic on the level of assurance that can be delivered with go-live of this type of system but contingency plans remain in place. • Regulatory notice regarding the rent breach. There was a question on whether the issue is contained to this notice and the timetable for resolving actions. Despite the obvious disappointment of the breach CS said that credit and confidence was gained with the regulator because JRHT found the issue and brought attention to the breach. There is confidence in the action plan, and the regulatory notice will hopefully fall away when this completed. 		<p>CS</p> <p>CS</p>
<p>Outcome: The report was noted.</p>		
<p>5.1 JRHT Performance Dashboard (item 7.1 on the agenda)</p>	<p>CS</p>	
<p>CS updated on performance metrics, including around rents, re-lets and repairs (the 'three R's').</p> <p>Rent collection performance has been good, given issues seen across the sector. The approach taken is balanced, with assertiveness where needed on collection, and a money and benefits team in place providing support.</p> <p>Increasing complexity is being seen with some re-lets, with properties requiring extensive work and where work has been refused by previous tenants.</p>		

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<p>Repairs work has included an increased focus on damp and mould. The DLO team has been through transition this year, with increased pay bearing fruit in terms of recruitment and retention. Emergency repairs performance is good, and further improvement is sought in general repairs.</p> <p>In Care Services, issues at the Oaks are leading management attention. Work to improve occupancy continues. A contract has been agreed with City of York Council on step-down beds over winter, which will help with occupancy levels.</p> <p>Further granularity on repairs data was requested.</p>		CS
Outcome: The dashboard was noted .		
5.2 Health & Safety update (item 7.2 on the agenda)	CS	
<p>CS said that a review of FLEGAL (Fire, Legionella, Electric, Gas, Asbestos and Lifts) responsibilities will be undertaken, including to clarify responsibilities and decision making. This will be taken to Audit & Risk Committee for review.</p>		CS
Outcome: The report was noted .		
5.3 Fire risk assessment actions (item 7.3 on the agenda)	CS	
<p>CS updated on remedial actions, noting satisfaction with progress.</p> <p>There was a discussion on sector-wide issues, including increased obligations and fire door supply. CS said that work is underpinned by external expert advice. A 'mixed economy' approach is taken to the work, with external contractors and JRHT specialist joiners used.</p>		
Outcome: The report was noted .		
5.4 JRHT Risk Report (item 7.4 on the agenda)	CS	
<p>CS said that risks on the register will be familiar to Board, including recruitment in Care Services. Good progress has been made on stock condition surveys and rents & charges.</p> <p>The 2023 Regulator of Social Housing Sector Risk Profile has been published, and a review against will be brought to the March Board meeting.</p> <p>There was a discussion on risk related to stock condition. CS said that approximately 400 stock condition surveys have been completed so far as part of the full review, and these have not raised significant issues so far.</p> <p>There was a discussion on mobile data protection measures that have been delayed while the Empower24 project is completed. CS said that those actions would be looked at if delays are encountered in the Empower24 project.</p>		
Outcome: The report was noted .		

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5.5 Tenant feedback and satisfaction (item 7.5 on the agenda)	CS	
<p>Improvements are being driven towards achieving the target of 95% complaints responded to within the target time, and on ensuring response promises are completed and lessons learned.</p> <p>There were discussions on:</p> <ul style="list-style-type: none"> • Complaints. It was noted that repairs, and communication around repairs, are receiving the most significant levels of complaint. A recent example was cited where the tone of stock survey communications was felt to be negative, despite being a positive development. CS said that surveys show a low level of satisfaction in how complaints are dealt with. The focus is on improving communications, timeliness and following through on promises. • Media and Ombudsman attention on the damp and mould issue and its effect on the nature of complaints received. CS said that escalations to the Ombudsman are more likely given the media attention on this, and this is supported, with feedback encouraged and seen as a gift to JRHT. Two recent maladministration findings by the Ombudsman on JRHT cases reflect the need to improve services. • Compliments. It was suggested that further information on these is included in future reports. 		CS
Outcome: The report was noted .		
KT, MP and PS joined at this point.		
6 LGBTQ+ Staff network progress, update and priorities (item 2 on the agenda)	CS	
<p>TA welcomed representatives from the LGBTQ+ staff network to the meeting. KT shared the achievements of the LGBTQ+ network over the past 8 years, including the establishment of the network of staff and residents, annual and growing presence at York Pride, campaigns, posts and staff blogs, and speakers delivering talks and workshops for staff.</p> <p>PS highlighted work reaching JRHT communities, including a Pride postcard delivered to all properties, celebration of network members, including the MBE awarded to KT, and branding developed with internal experts.</p> <p>It was noted that JRF & JRHT were in the Stonewall Top 100 Employers Index in recent years, and in 2019 reached 67th place out of 445 employers. The organisation hasn't applied to the index in the in past few years due to Covid and organisational changes. Work is underway to get in position to submit again for inclusion. It is important for staff to see this involvement as it signals that this is a safe place to work.</p> <p>Testimony was heard from a staff member on the positive impact of the network.</p>		

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<p>A recent visit to the first LGBTQ+ housing project, Tonic Housing in London, was noted.</p> <p>Plans for work in 2024 include providing trans inclusion workshops for all staff, increasing the membership of the group, and establishing the target to top the Stonewall Top 100 Employers Index.</p> <p>There were discussions on:</p> <ul style="list-style-type: none"> • The value of staff networks as agents of change. PK said that this is an area where group-wide working is powerful. • Improvements that the organisation could make, including on trans inclusion and workshops to help staff be confident to navigate this topic. • Stonewall Top 100 Employers Index and what Board can do to help with the application. KT said that Board can play a role through involvement in activities such as York Pride and training. All activities are used as evidence in the submission. • Tonic Housing. • Sense of the LGBTQ+ community in York. • New EDI lead. PK said that the JRF lead is being recruited. The JRHT lead will be recruited to the same grade in the new year. This role will be funded by JRF, as the Group parent. • Engagement with residents. There can be challenging questions on service provision, which Board will be interested in. It was agreed that all should be done to ensure access and transparency. 		
<p>Outcome: The update was discussed.</p>		
<p>KT, MP and PS left at this point.</p>		
<p>7 JRHT Core Purpose and Care Strategy priorities (item 5 on the agenda)</p>	<p>TA / CS</p>	
<p>CS said that this discussion is a staging post on the journey from turning core purpose and objectives into action. Agreement on these will enable the Executive to bring together staff and residents on operationalising purpose.</p> <p>Draft objectives were presented to answer the ‘bus stop’ test, on explaining concisely what JRHT does. The four objectives are:</p> <ul style="list-style-type: none"> • Good affordable homes and well managed neighbourhoods; • Quality services; • A sustainable and engaging organisation; • Exploring New Directions for JRHT Care Services. <p>There were discussions on:</p> <ul style="list-style-type: none"> • Whether the objectives should note that JRHT operates at a local level (not national). 		

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<ul style="list-style-type: none"> • Affordable housing and whether objectives should reflect provision to those in greatest need (anti-poverty, or ‘the JR’ element) • Whether reference to decency could be added. • Sustainability, which is implied to mean around JRHT resources, but could be extended to environmental impact. • How JRHT talks about neighbourhoods, and whether communities would be a better phrase. • Possible addition around continuous improvement. • The significance of JRHT’s relationship with JRF <p>TA, PJ and GR volunteered to join a working group to look at the core purpose statement and objectives in further detail.</p> <p>The work on care options appraisal is ongoing and this will be brought to the next meeting.</p>		<p>CS</p> <p>CS</p>
<p>Outcome: Board discussed the definition of JRHT core purpose and objectives and agreed to form a working group to look at these in further detail.</p>		
<p>DW and DBW joined and DL left at this point.</p>		
<p>8 Finance</p>		
<p>8.1 Finance report</p>	<p>TP</p>	
<p>TP updated on the year-end position. Achieving surplus is looking tight and the focus is on completing property sales. The ‘up to’ £800k grant from JRF for legacy and non-recurrent costs mitigates the risk to the surplus. The grant is specified to provide support for rent and service charge refund provision, so the issues driving the risk to the surplus are understood.</p> <p>Care voids are stable.</p> <p>There was a discussion on grant funding for support on pay awards. TP confirmed that there will be a cumulative effect in the need for grant support in future years.</p>		
<p>Outcome: The report was noted.</p>		
<p>8.2 Movement of funds JRF to JRHT</p>	<p>TP</p>	
<p>TP presented a paper that had been taken to JRF Trustees the previous week to update on the JRHT operating context and key activities.</p> <p>PK said this was the first attempt to update in a more systematic report, and it landed well. JRF Trustees indicated that the report would not be required every quarter and there is no appetite for involvement in operational matters. The progress of JRHT strategic discussions will be of interest to JRF Trustees. TA will join JRF Trustees which will be helpful in coordination of discussions. TA said that there is agreement with JRF Trustees Chair to get the two boards together in the new year to discuss JRHT strategy.</p>		

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<p>There was a question on whether JRF Trustees had asked about JRHT finances. PK said that wasn't discussed in detail, though the decision to ringfence care losses was noted. The tone had been hopeful around lowering the need to draw down from the endowment, with a recognition that JRHT may discover further legacy issues that may need endowment funding.</p>		
<p>Outcome: The report was discussed.</p>		
<p>8.3 JRHT Budget 2024</p>	<p>TP</p>	
<p>The budget had been discussed in detail at the budget scrutiny session in November. Amendments were made following that meeting:</p> <ul style="list-style-type: none"> • The care budget and projected losses are ringfenced, as agreed. • An error was found in the interest and depreciation calculations. This worsened the estimated position by just under £200k. • Changes to JRF grants figures worsen the estimated position by around £100k. • Rents breach repayments worsened the estimated position by around £200k. <p>The changes mean the previously estimated surplus of £300k has worsened to an estimated deficit of £300k. Efficiency savings that can be made outside of Care Services have been discussed by the JRHT leadership team. The cost-per-unit in housing is seen as high so this is the right time to look at efficiencies. Around £370k of savings have been identified so far. This includes genuine efficiencies and non-recurrent savings. There is confidence that these can be achieved. CS said further work will be undertaken on finding another £230k of efficiencies to make up for the full £600k difference since the previous look at the budget.</p> <p>In addition, an 'in case of need' of up to £600k grant from JRF Trustees has been requested. This is to provide assurance to Board that they can sign off the budget without seeing the full detail on efficiencies.</p> <p>The budget is also presented subject to amendment of pay figures to take into account the 2024 pay award approved by JRF Trustees.</p> <p>It was noted that £600k is around 2.5% of the total budget.</p> <p>There was a request that reports against this target are broken down between efficiencies and slippage, and between which items are recurrent.</p> <p>There was a discussion on the assumptions around the rent settlement. TP said the budget assumes that rents rise at 6.7%, which is cautious as the expectation that the settlement will be CPI+1 (7.7%).</p> <p>There was a discussion about mitigations in place around the possibility of higher-than-expected repairs costs resulting from stock condition surveys. CS said this remains an area of risk. The £3.5m capital budget is indicative. DW said that £450k is budgeted for damp and mould repairs. The stock condition survey has completed 400 reviews so far and there hasn't been much additional work required resulting from that. There is therefore extra provision available, but the outcome of all surveys is still unknown.</p>		

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<p>There was a discussion on care occupancy assumptions. It was clarified that the figure for the Oaks includes residents that have moved across from Hartrigg Oaks bungalows. The assumptions are seen as prudent.</p> <p>There was a discussion on estimated commercial income. Work has been underway on catering over the last year, which is expected to further improve the position. There is also a vacant commercial space at Hartfields which is being actively marketed. A breakdown of these figures will be circulated that separate commercial activities that benefit tenants and purely commercial activities.</p> <p>A short meeting will be arranged for Board to discuss the budget details in February 2024</p>		<p>DW</p> <p>CS / CF</p>
<p>Outcome: Board approved:</p> <ul style="list-style-type: none"> • 2024 budget • Requests for funding from JRF through the Strategic Funding Agreement (total £2,992k): <ul style="list-style-type: none"> ○ Running costs of heritage assets (£521k) ○ Bursary scheme grant (£314k) ○ Pay (£86k) ○ Derwenthorpe District Heating (£220k) ○ Care Performance 2024 (£1,251k) ○ JRHT projected deficit net of efficiency savings (up to £600k) <p>Board noted indicative budgets for 2025 – 2028.</p>		
<p>CF, BB, SH, SC and FF left at this point.</p>		
<p>8.4 Approval of rents and care fees for 2024</p>	<p>TP</p>	
<p>TP said that approval is requested in line with Rent Standard (CPI+1%). The 2024 budget takes a more prudent assumption of rents, at CPI increase only, as the final publication of the Rent Standard for 2024-2025 is awaited.</p> <p>There was a question about the interplay of rent & fee levels and occupancy. CS said that it is felt that care fees for self-funders is seen as affordable, with Carterwood analysis suggesting that there is headroom compared to market. A pragmatic view is taken regarding local authority funded fees, based on local conditions, such as the winter contract signed with City of York Council.</p>		
<p>Outcome: Board approved:</p> <ul style="list-style-type: none"> • Proposals to increase care fees from January 2024 for new entrants to our services and from April 2024 for existing residents; and • Increase in rents in line with the Rent Standard (CPI+1%), subject to the rent settlement. <p>Board noted the approach to service charge setting and other inflationary increases to charges included in the 2024 budget.</p>		

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CF, BB, SH, SC and FF rejoined at this point.		
8.5 Shared ownership insurance	CS	
<p>Board had discussed an identified issue with overcharging for insurance in service charges at Derwerthorpe and Hall Farm Cottages at the Rents and Service Charges meeting in July.</p> <p>Three options were presented on fixing this issue, with the Executive recommendation to “fix forward” and reimburse residents back to the start of each lease.</p> <p>JRF Trustees had approved at their meeting the previous week a grant of up to £200k to fund rectification of this legacy issue.</p> <p>CS suggested that a full refund was the right thing to do, the Ombudsman is increasingly interested in issue, and the costs are limited to Derwerthorpe and Hall Farm leases.</p>		
<p>Outcome: Board approved option 3: fix forwards and reimburse back to start of lease, at repayment cost of £172k and entailing reduced income of £25k.</p>		
EB and ML joined at this point.		
9 Composition of workforce report	EB	
<p>Outcome: The report was noted.</p>		
EB left at this point.		
10 Asset Management Strategy and Improvement Plan update	CS	
<p>FF updated on stock condition work. Around 150 surveys are being completed per week. The plan is to complete work by the end of February 2024. There is confidence that the new data will be in place for use in the 30-year financial plan.</p> <p>One Health & Safety issue has been found through the surveys and this is being addressed.</p> <p>EPC data is being updated with the surveys, where required (non-newbuild properties). This data will help with retrofit planning.</p> <p>Strategy work is progressing well and is due to come to the March meeting for approval.</p> <p>There were discussions on:</p> <ul style="list-style-type: none"> • Data on financial performance of stock. FF said that the survey data is not completed to that level of detail yet. • Customer feedback and insight about properties. FF said that workshops are being held and feedback and other information is triangulated with stock survey data. 		

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<ul style="list-style-type: none"> • Access to properties on repairs. CS will reflect on policy and procedures for this. 		CS
<p>Outcome: It was noted that Board had approved the 2024 capital programme for existing stock (£3,589,000) as part to the 2024 budget (item 8.1). The report was discussed.</p>		
11 Risk Strategy review	FF	
<p>Outcome: This discussion will be taken at the February session.</p>		
12 Tenant satisfaction measures updates	ML	
<p>CS said that reporting on these new measures will be brought to every meeting and TA said that this item will be taken further up the agenda. Perceptions are a challenge, and a significant piece of work is underway to improve this. CS said the main bit of work at present is on damp and mould. The aim is to get into a position where complaints are interrogated more, for example on whether safety complaints are around property defects or neighbourhood safety. There was a discussion on the engagement gap. Proactive communication around damp and mould is seen as an example of the right kind of messaging.</p>		CS / CF
<p>Outcome: The report was noted.</p>		
13 Report from ARC on matters for JRHT	SC	
<p>Relevant issues will be discussed in detail at the session on risk in February.</p>		
<p>Outcome: The report was noted.</p>		
14 Any other business	TA	
<p>The session in February will be held via Zoom. The quarterly meeting in March 2024 will likely be held at the Garth in New Earswick.</p>		
15 Date of next meeting	TA	
<p>The dates of the next meeting were confirmed as Monday 11 March 2024 at 11.00, venue tbc</p>		
<p>Signed (Chair)</p>		
<p>Date</p>		