

JRHT BOARD

Tuesday 21 March 2023

Video Conference via Zoom

Present	Will Haire (Chair, items 1 – 11.5) Angela Lockwood (Chair, from item 12) Paul Jenkins David Lunts Gillian Russell (from item 9)	AL WH PJ DL GR
In attendance	Paul Kissack Chris Simpson Tracey Preece Claire Townson Frank Soodeen David Boyes-Watson Christine Frame Matt Lewer (items 12.1 – 12.5)	PK CS TP CTw FS DBW CF ML
Minutes	Stephen Lynch	SL
Apologies	Alistair Brown Dan Gray Dan Ryan	AB DG DR

Agenda Item Comments	Presenter	Action
1 Minutes of the Q4 2022 meeting	AL	
Outcome: The minutes from the meeting held on Friday 9 December 2022 were approved for signature by the Chair.		
2 Matters arising	AL	
Outcome: There were no matters arising.		
3 Actions from the previous meetings	CF	

Agenda Item Comments	Presenter	Action
<p>PJ volunteered to take on the role of dedicated complaints board member. CS will brief on what is involved.</p> <p>CS noted that a question had been raised at the previous meeting on mandatory fire door assessments. The Head of Health & Safety has confirmed that the regulation relates to properties over 11 metres. No JRHT properties exceed that height, but JRHT has elected to attempt to carry out a check of all flat doors once per year where possible, and where the Housing team are trained to carry these basic checks, when they visit sites. Communal fire doors are checked monthly in main blocks (Care, Extra Care public buildings) and Housing staff are asked to undertake quarterly checks of all sheltered and other HMO/communal area properties.</p> <p>Fire Risk assessments take fire doors into account.</p>		CS
Outcome: The actions were noted .		
4 Register of interests	AL	
Outcome: The register was noted .		
5 CEO report	PK	
Outcome: The report was noted .		
6 Composition and performance of the JRHT workforce: bi-annual report (item 9 on the agenda)	CTw	
<p>CTw said that the key points in the report are:</p> <ul style="list-style-type: none"> • The reduction in the size of the workforce, largely due to exit from ILS and Lamel Beeches closure. There has been a slight reduction in the property services team, reflecting the challenging labour market for trades. Trades recruitment will be a focus for the recruitment team. • Absence levels are high. This is an area of focus, including for management development. • EDI. There is work ongoing on the anti-racism strategy. <p>There were discussions on staff retention and recruitment:</p> <ul style="list-style-type: none"> • There was a question on addressing the loss of staff in their first three months. CTw said that the likely reason for the increase in this metric is some new staff moving elsewhere after receiving the joining bonus. • There was a question on comparative data for previous years. CTw said that this data will be added to future reports. Staff retention figures for 2021, which are included in the report, are likely to be distorted due to the end of the furlough scheme that year. Comparisons to years prior will show a trend. • Difference in performance of BAME recruitment. PK said that in JRF, data suggests shortlisted/interviewed BAME candidates are more likely to be offered a role. In JRHT there are lower numbers of BAME 		CTw

Agenda Item Comments	Presenter	Action
<p>candidates at every stage of recruitment, so there are distinct issues relating to JRHT recruitment. FS said that the EDI Steering Group had discussed these trends.</p>		
<p>Outcome: The report was noted.</p>		
<p>7 Internal Audit Plan 2023 & report from Audit & Risk Committee on JRHT matters (item 10 on the agenda)</p>	<p>CTw</p>	
<p>CTw said that the Audit & Risk Committee (ARC) discussed at their Q1 meeting the GDPR, Feedback Insights and Health & Safety annual reports.</p> <p>The main discussion at the meeting had been the annual internal audit plan, which was developed for the first time with BDO. CS and the JRHT leadership team subsequently had further discussions with BDO. The final plan was presented to Board. CS said there had been good conversations with the BDO team, who were able to provide reassurance on how they will spend audit time.</p> <p>Feedback from Board was noted around:</p> <ul style="list-style-type: none"> • Possibility to include an audit on data integrity. • Inclusion of an audit on one of the ‘big six’ health & safety issues every year. • Relevance of the money and benefits advice service audit given that this is not a regulated service. <p>PJ said that as Chair of ARC he would be open minded about swapping money and benefits for data integrity, though the internal audit plan shouldn’t just be for areas that are regulated.</p> <p>PJ said that ARC had been impressed with BDO in taking a strategic approach across several years and the levels of discussion at the meeting. Overall, ARC is pleased with the basic shape of the plan and that the dial can be shifted from a focus on care to a more balanced plan.</p> <p>CS said that the money and benefits service is successful but is not accredited. Accreditation will be explored. The inclusion of this audit in the plan is to ensure advice is being given in the right circumstances. It was agreed that the audit on the service will be maintained though the number of days will be considered.</p> <p>On data integrity, CS said that the planned 2023 audits on stock condition and PMO will focus heavily on data integrity (linked to the implementation of the new Empower 24 system), and this might be a more effective way into the area than a separate ‘data integrity audit’.</p> <p>The Board therefore agreed the plan as presented (with further consideration on reducing the number of days for the money and benefits adviser audit).</p> <p>The report to ARC on anomalous services will be re-circulated.</p>		<p>CF</p>

Agenda Item Comments	Presenter	Action
The minute of this discussion will be highlighted to the Board members not present.		SL
Outcome: The report was noted .		
8 JRHT Directors' Annual Report – draft (item 11 on the agenda)	CS	
TP said that the first draft of the 2022 accounts have been sent to the external auditors. There is time for Board comments on Annual Report, ahead of final approval at the Q2 meeting. The Board noted it was important for Board members to engage with the draft, and TP requested comments be sent to CF as soon as possible to help the team.		All / CF
Outcome: The draft report was noted .		
GR joined at this point.		
9 JRHT communications review (item 14 on the agenda)	FS	
<p>FS presented the report which analyses strengths and weaknesses of, and proposes improvements to, JRHT communications. Improvements are predominantly around the experience for residents and to tell a more expansive story. The JRHT communications team is a small resource so communications will only improve by upskilling a wider range of staff.</p> <p>There were discussions on:</p> <ul style="list-style-type: none"> • Understanding what residents most value and avoiding information overload. FS said there is a strong attachment to physical copies of information, though this is expensive. Thinking will be needed on how to meet this need, which could involve providing hard copies at common areas but reducing costly mailouts. • The value of face-to-face conversations, including open forums. • The importance of feedback from residents. CS highlighted support from FS's team on tone-of-voice in communications with residents. • The difference in communications in care and housing. • Recent postcard campaign on damp and mould. • The challenges of dealing with difficult media issues and how to reset the brand. • Resident participation in governance of JRHT, including Residents Assembly and the recruitment of resident Board Members. It noted that those within communities are often the most trusted messengers. 		
Outcome: The report was noted .		

Agenda Item Comments	Presenter	Action
10 Ratifications of off cycle decisions (item 15 on the agenda)	CF	
<p>Outcome: Board ratified off cycle approval of:</p> <ul style="list-style-type: none"> • Development Sub Committee member appointment to 2nd term – Andy Hill • Dower Court revised offer: - to acquire the Dower Court Freehold Title from The Retreat, that the acquisition is treated as a 'legacy' and thus a request is made to JRF Trustees to cover the cost of the acquisition, and that existing leaseholders are granted lease extensions at no cost. 		
10.1 Development assumptions: NPV flexibility (item 15.1 on the agenda)	CF	
<p>Board approved development assumptions, as recommended by Development Sub Committee, at the Q4 meeting. The minutes did not include a specific approval of flexibility to consider longer NPV periods, terminal values and / or use of JRF Grant to meet the shortfall in scheme NPVs. This item was brought to confirm Board's approval of that aspect.</p> <p>There was a discussion about sector norms. DBW confirmed that 60-year NPV terms, which are being considered, are normal in the sector. Treasury advisers Centrus have said that there is a broad range of NPVs in the sector and 60-year terms are not an outlier.</p>		
<p>Outcome: Board approved additional flexibility to consider longer NPV periods, terminal values and / or use of JRF Grant to meet the shortfall in scheme NPVs.</p>		
11 Governance committee updates (item 16 on the agenda)	CF	
<p>11.1 Q4 2022 JRF Trustees The minutes from the meeting were noted.</p>		
<p>11.2 Q1 2023 Audit & Risk Committee The minutes from the meeting was noted.</p>		
<p>11.3 Q1 2023 Resources Committee Minutes will be brought to the next meeting</p>		
<p>11.4 Q3 2022 Care Sub Committee Minutes will be brought to the next meeting</p> <p>CS updated on the committee's meeting the previous week. The committee had discussed in detail the annual report on safeguarding. Key actions resulting from the discussion are to take time reviewing safeguarding policy and strategy for housing. Safeguarding strategy in Care Services was seen to be in good shape, with the future focus on DBS renewals and training. There had also been a discussion on where this sits in the audit programme,</p>		

Agenda Item Comments	Presenter	Action
and the committee are comfortable that safeguarding is due to be audited in 2024, with actions due to complete from previous audits this year.		
<p>11.5 Q4 2022 Development Sub Committee</p> <p>The minutes from the meeting was noted.</p>		
<p>AL joined at this point.</p>		
<p>12 JRHT Executive Director update (item 6 on the agenda)</p>	<p>CS</p>	
<p>CS noted that Q1 had been a busy period. Hartrigg Oaks has seen a marked improvement and Care Services are looking more stable and safe.</p> <p>CS is exploring the possibility of recruiting a senior leader in Care Services. The experience of directly managing the service has been useful for CS to get an insight into challenges. Leadership focus is shifting to reaching occupancy targets.</p> <p>CS has also had the opportunity to manage Housing and Community Services directly and has been based at the Garth. The reception has reopened at the Garth, having closed during the pandemic. Work with the Residents Assembly has been positive. Challenges in the service around stock condition and the service charge review were discussed in detail, as follows:</p> <p><u>Stock condition</u></p> <p>A review of the approach to stock condition has found concerns and work to do around:</p> <ul style="list-style-type: none"> • Available resources to reach the annual target. • Updating to a tablet rather than a paper-based approach. • Clarifying which elements of the Decent Homes Standard are collected and relied on. • How to calculate and report numbers against the Decent Homes Standard. • The process of sampling is informal and falls to one person. • A timely upload process with available resource. • How progress is tracked in year (KPIs) • Specific questions from the regulator on our investment levels <p>An action plan has been established to address these issues and the internal auditors BDO will undertake an audit of the approach to stock condition that will start in early April and will report initial finding to JRHT Board in June 2023.</p> <p>Recruitment is underway in asset planning, and salaries uplifted to be more competitive in the market. A dedicated retrofit manager has joined, and an</p>		

Agenda Item Comments	Presenter	Action
<p>external surveying company has been taken on to look at repeat calls for attention on damp and mould.</p> <p>There were discussions around:</p> <ul style="list-style-type: none"> • The current paper-based approach. CS said this is an outlier in JRHT following the implementation of the tablet-based medication management system in Care Services. • Regulatory focus and board assurance on data. • Investment and level of allocation in the business plan. CS noted that the level of investment dropped largely due to the closure of Lamel Beeches. JRHT may be in the lower quartile for investment in Financial Forecast Returns due to the way this is calculated. This return also includes properties where JRHT has no responsibilities on maintenance. It was welcomed that advice has been sought from Savills on the level of investment and it was requested that a focus on this issue is brought to the next couple of board meetings. <p><u>Service charge review</u></p> <p>An update on service charge review work was discussed. Potential issues have been identified for further investigation, and Board discussed timelines for action and potential risks and liabilities.</p> <p>A Rent & Service Charge Lead and Rent & Service Charge Officer are being recruited.</p> <p>Advice is being sought from Trowers and the National Housing Federation on service charges.</p>	CS	
Outcome: The report was noted .		
ML joined at this point		
12.1 Performance dashboard (item 6.1 on the agenda)	CS	
<p>CS noted that KPIs presented at item 12.3 feed into this dashboard.</p> <p>There were discussions on:</p> <ul style="list-style-type: none"> • Rent collection and arrears. • Repairs. Operatives are being recruited. There was an underspend noted on stock investment/major repairs. TP said that this was due to work not being completed at end of Q4 rather than a drop in prices. • Relets. Challenges in the early part of the year were noted. • Care Services and improvement at Hartrigg Oaks enabling a greater focus on other homes. • Sales at Hartrigg Oaks. TP said that the pipeline of prospective buyers is looking strong. • Planning permission in York. DBW said planning permission has been received for 6 units in York. Work will commence on tender documents. 		

Agenda Item Comments	Presenter	Action
<p>The planning situation was discussed, and it was noted that York local elections will take place in May.</p> <ul style="list-style-type: none"> • Sale of Lamel Beeches land. DBW said an unconditional offer has been received for the land. A report will be brought at either the Q2 or Q3 meeting on disposal. • Operating surplus. TP said that accounting for rent standard or service charges adjustments would likely be reflected in the 2023 accounts. • Drop in the general needs operating margin. TP will circulate details on the reasons for this by email. 		<p>DBW</p> <p>TP</p>
Outcome: The report was noted .		
12.2 Health & Safety update (item 6.2 on the agenda)	CS	
<p>Priorities for 2023 were noted, including links to resident involvement and engagement.</p>		
Outcome: The report was noted .		
12.3 2023 KPIs and target setting (item 6.3 on the agenda)	CS	
<p>CS presented for information the KPIs used to systemically track issues. The KPIs are operationally focused, for use by the Executive. The measures feed into the performance dashboard that Board receives quarterly.</p> <p>There was a discussion on the number of measures tracked and there was a suggestion that further customer feedback information be included. CS stressed that the full list of measures were operational, for staff use, and that Board would continue to receive only the main strategic measures.</p>		
Outcome: The report was noted .		
12.4 Fire risk assessment actions (item 6.4 on the agenda)	CS	
Outcome: The report was noted .		
12.5 Tenant Satisfaction Measures (item 6.5 on the agenda)	ML	
<p>ML presented the report on Tenant Satisfaction Measures (TSMs) that the regulator requires to be reported annually from Summer 2024 onwards.</p> <p>10 measures are gathered directly. 12 are perception measures gathered through resident surveys.</p> <p>A working group has been set up, focusing on the 10 directly assessed measures, to ensure compliance. It is proposed to conduct a Star Survey involving all residents, the first since 2021, as a baseline to build on for the perception measures, which will then be monitored using pulse surveys and</p>		

Agenda Item Comments	Presenter	Action
<p>regular touch-ins. The new housing management system will support this work.</p> <p>There was a discussion on the crossover of the measures with operational KPIs. ML said that the 10 directly gathered measures are reflected in the KPIs. This work presents a good opportunity to consider the inclusion of resident satisfaction measures in KPIs, and which should be reported to the Executive and Board.</p>		
Outcome: The report was noted .		
ML left at this point		
12.6 JRHT Risk Report (item 6.6 on the agenda)	CS	
<p>There was a comment sent in before the meeting that suggested that Cyber/Data Security may not feature prominently enough, especially given the major IT upgrade projects in 2023.</p>		
Outcome: The report was noted .		
12.7 Stock Condition Report (item 6.7 on the agenda)	CS	
<p>Stock condition was discussed in detail at item 12.</p>		
Outcome: The report was noted .		
13 Veolia District Heating at Derwenthorpe (item 7 on the agenda)	CS / DBW	
<p>A discussion was held and options around the future of the District Heating service delivered by Veolia.</p>		
<p>Outcome: Board approved:</p> <ul style="list-style-type: none"> • Provision of a budget to explore future options. • Seek the support of JRF under the financial reset mechanism to fund this budget 		
14 Annual Review of Governance & Compliance (item 8 on the agenda)	CS	
<p>CS presented the first draft of the following assessments:</p> <ul style="list-style-type: none"> • RSH Sector Risk profile self-assessment • RSH Governance and Financial Viability Standards Assessment • Annual assessment of compliance with RSH Consumer Standards • Assets and Liabilities Register • Compliance with Value for Money • Annual self-assessment of compliance with NHF Code of Governance 		

Agenda Item Comments	Presenter	Action
<ul style="list-style-type: none"> Annual self-assessment against the Rent Standard <p>CS highlighted areas of progress in the previous year.</p> <p>There was a discussion on the absence of a self-assessment against the Value for Money standard. CS and TP said that the assessment and analysis of data are undertaken at the same time and as part of year-end finance/accounts work.</p> <p>It was suggested that the assessment of JRHT’s position against rent standard will need to take account of the service charge review work. Comments and questions were invited ahead of these assessments being brought back to the Q2 meeting for further discussion. CS will invite questions from Board members not present at this meeting.</p>		<p style="text-align: center;">All CS</p>
<p>Outcome: The report was noted.</p> <p>The final version of the report will be brought to the Q2 meeting for discussion.</p>		
<p>15 Finance report (item 12 on the agenda)</p>	<p>TP</p>	
<p>TP presented year end position for 2022, which delivered a bottom-line surplus. This position is subject to the external audit.</p> <p>The regulatory margin is in deficit partly due to the significant level of JRF grants which can’t be included. Derwenthorpe sales are also not included. TP said that forecasts for a negative regulator margin have been delivered to the regulator during 2022 and there is a very clear narrative on this in place.</p> <p>TP noted that accounting rules have been changed. Charges for support services in care are now accounted for under ‘other housing services’. This doesn’t change the bottom-line but additional work is needed to provide a direct prior year comparison for the accounts. TP will circulate the full accounts when ready.</p> <p>There was a discussion on the regulatory margin. PK said there is a challenge to understand the underlying position. Exiting ILS had clearly improved JRHT’s longer term financial position, but produces a financial hit in 2022 because the costs of the exit are accounted for that year.</p> <p>There was a question on the increasing deficit in commercial services. CS said the main area of loss is catering at Hartfields and a project to clear that loss is well under way and will complete in 2023.</p> <p>TP said the Q1 2023 forecast is being worked on. Agency costs have been higher than budgeted. Void levels and the overall budget is otherwise in line with expectations.</p> <p>On the early warning tracker, it is noted that the effects of high inflation are expected to continue. Good controls are in place on insurance costs.</p> <p>It was requested that items funded by JRF be included in the summary position.</p>		<p style="text-align: center;">TP</p> <p style="text-align: center;">TP</p>

Agenda Item Comments	Presenter	Action
Outcome: The report was noted .		
16 Financial Plan Assumptions 2023 (item 13 on the agenda)	TP	
<p>TP presented base assumptions it is proposed to include in the 30-year plan. There were discussions on:</p> <ul style="list-style-type: none"> • Inflation. CPI and RPI assumptions have been lowered. AL offered to share advice from an alternative consultant. • Rent increase assumptions. • Stock condition. • Spend per unit. It was noted that this needs more work. • Retrofit assumptions. Further research is required as it was agreed that the current estimate of 50% government support for decarbonisation was highly unlikely. • Alignment of assumptions with cycle of work on the care strategy. PK said there will be wider conversation on care strategy and relationship with JRF in Q2. There is a question over how quickly any decision from that would be implemented. • Pay award. PK said that pay is linked to the Real Living Wage, rather than CPI, as in the assumptions. Work will be undertaken looking at how closely Real Living Wage and CPI have been related and bespoke assumptions built for JRHT if necessary. • Development plans. TP said that development stress tests will be run as part of the process. 		<p>TP</p> <p>TP</p>
<p>Outcome: The report was noted.</p> <p>Board will meet on 22 May 2023 to discuss the 30-year financial plan and stress test and the final draft will be brought to the Q2 meeting for final approval, ahead of submission to the Regulator.</p>		
17 Any other business	AL	
<p>AL thanked WH on behalf of Board, noting that this was his final meeting. AL said that WH has been a reliable friend and a rock-solid mentor. JRHT has a lot to thank WH for, as a role model and showing great humanity, as well as for being an excellent Chair for the Group. WH has left a wonderful legacy.</p> <p>WH thanked all and said that the last three years on the Board has been a wonderful learning experience, with JRHT embarking on an important journey in a new era under Helen Evans and AL's leadership. There have been, and will be, challenges and issues to tackle, and WH has absolute confidence in the Board to take these forward.</p>		

Agenda Item Comments	Presenter	Action
18 Date of next meeting	AL	
Dates of next meetings: - 22 May 2023 – 30-year financial plan from via Zoom 14.00 - 6 June 2023 – Q2 meeting at the Homestead from 09.00		
Signed (Chair)		
Date		