



ONGO HOMES LTD
(FCA Mutuals Registration No 7639) (the Association)

Held at 2.00pm on Monday 3 July 2023
Board Room, Ongo House, High Street, Scunthorpe, DN15 6AT and via MS Teams

MINUTES

Present:

Group Common Board: Bob Walder (Chair), Steve Hepworth, John Wright, Rachel Cook (Teams), Melvin Kenyon (Senior Independent Director), Michael Finister-Smith, Paula Gouldthorpe (Teams), Helen Lennon (Teams), Gerraint Oakley (Teams), Kacper Merta

Officers: Jo Sugden, Karen Cowan, Fiona Ruddick (Minutes), Ashley Harrison, Pete Stones, Kevin Hornsby, Bev Lewis (from 3.00pm)

Apologies: Paul Warburton, Natalie Cresswell

Absence: None

Also Present: Lisa Whelan (Trainee) (Teams) (from 3.00pm)

Time meeting opened: 2.00pm

Quorum: It was reported that proper notice of the Meeting had been given in accordance with the Rules of Ongo Homes. A quorum being present, the Chair declared the meeting open.

Declarations of Interest: Each Board Member considered whether they were interested for the purposes of rules D15 to D24 of Ongo Homes' Rules, directly or indirectly, in any of the matters to be discussed at the meeting (including interested personally or by virtue of being a director or other officer of a business trading for profit or in any other way whatsoever in any contract or other transactions with Ongo Homes other than as an officer, committee member or employee of the body whose accounts are or ought to be consolidated with Ongo Homes' accounts) and it was noted that any Board Member who disclosed an interest was requested to remain present by the other members of the Board but did not vote upon the matter under discussion. No declarations of interest were made.

1. Confidential Items

Discussions from the first hour of the meeting are recorded as confidential minutes.

2. Agenda item 4: Minutes of Previous Meetings and Matters Arising

Minutes of the open and confidential meetings held on 17 May 2023 were agreed as a true and accurate record for the Ongo Homes Board and will be signed by the Chair.

3. **Agenda item 5: Action List**

Updates on the action list were noted as per the meeting pack and all actions had been completed.

4. **Agenda item 6: Chief Executive's Update**

Summary: A presentation was given which delivered a high level overview of sector specific issues for the Board to consider.

Discussion points/questions:

- Areas covered included key housing policies and political issues. The Labour party had made several key announcements recently including their desire to be the party of home ownership.
- Politicians appear to be trying to influence voters.
- Interest rates are high, inflation continues to increase and comes closer to the Autumn inflation rate which will influence the rent settlement.
- Board Members were reminded of the Ongo Carnival taking place on 2 August which everyone is welcome to attend.
- The collapse of Ilke Homes as a provider of Modern Methods of Construction (MMC) housing has not impacted Ongo Homes. Ongo is part of a shared alliance scheme with other housing associations looking at MMC.
- A Member explained this was a big loss to some organisations. Homes England's Strategic Partners are required to deliver 25% of their build programme by MMC.

Agreed: Board noted the spoken update provided by the Chief Executive on issues within the sector.

5. **Agenda Item 7: Review delivery of the overall strategy and financial plan**

6. **Agenda Item 7.1 Financial Reports and Accounts**

Summary: This report presents the management accounts of Ongo Homes and the Ongo Group providing information on financial performance for the period ended 31 May 2023. Financial Golden rules for Homes and Group are contained in the accounts.

Discussion points/questions:

- Accounts for Ongo Homes are now shorter, focusing on the pertinent issues and looking forward.
- Group Management Accounts are slightly changed so Board can see subsidiary accounts information.
- A Member asked about the golden rule around margin and whether this should be accepted or if corrective action needs to be taken. Ashley Harrison explained that spend is being accelerated rather than increased so remains within the golden rule.
- Another Member commented the gross operating surplus was adverse for the full year projection. It was explained this was due to the projection being completed so early. Re-forecasting was due to take place soon based on quarter 1 results.



Agreed: Board:

- considered and approved the revised format for financial reporting;
- considered and approved the financial golden rules for 2023/24;
- noted the contents of the report and associated information and approved the management accounts of Ongo Homes (entity and group) for May 2023;
- noted the red status of one financial golden rule, and the amber status of one business plan stress test indicator for Ongo Homes.

7. Agenda Item 7.2: New KPI Reporting

Summary: The report presented the Strategic Plan Board Key Performance Indicators (KPIs) Full detail and explanation of the KPIs was included in the appendix. As previously agreed, the Wellness Dashboard continues to be published for reference via Convene.

Discussion points/questions:

- A Member wanted to be sure they were getting clear oversight of subsidiary performance. They felt information on “cash” was not sufficient. Ashley Harrison suggested there was a dis-connect between the information on this report and previous information included as part of the management accounts.
- He went on to explain the cash shown in the new KPI report was pertinent.
- Another Member would like to see more information on the contribution by Ongo Communities. This prompted another Member to question whether employment support and coaching continued to be the right KPI.
- The information states 700 people have received this support and they asked who they were, were they now in employment (and if so for how long).
- A Member stated the Board required full oversight of all subsidiaries. The Board receive the management accounts, KPI information and Chairs update reports.
- Jo Sugden explained her team are working on a current project to pull all this information together so there is a clear outline of the various ways Board can receive assurance on subsidiary performance.
- In relation to new build properties, a Member presumed these properties would be pre-allocated. Kevin Hornsby explained the Lettings Team work towards zero void days for new builds. This does take a lot of resource to deal with the new builds and it has been agreed to increase staffing levels in that team to support this.
- Letting is becoming more complex with the needs of the people seeking homes.
- Pete Stones added the focus has been on repairs to tenanted properties. With the external resource now supporting that area, work can refocus on void properties.
- There is a figure within the KPIs of 186 damp and mould repairs received. It was questioned whether this was new cases during the month or cumulative. The information was unclear and the validity of this figure was questioned. It was agreed the figure would be confirmed and emailed to Board for clarity. **Action 7/23**

Agreed: Board considered and approved:

- the revised KPI reporting format; and
- approved the April 2023 performance data.



8. Agenda Item 8: Governance

9. Agenda Item 8.1 Self-Assessment against Regulatory Standards and Code of Governance

Summary: There are seven regulatory standards split into economic and consumer standards. Each standard has an owner who has reviewed performance over the last year. Annually the National Housing Federation (NHF) Code of Governance is reviewed to assess compliance.

Discussion points/questions:

- This report had been circulated via Convene for consideration in advance.
- No specific questions were raised by Board at the meeting and the report was taken as approved.

Agreed: Board:

- considered the information provided gave assurance that officers considered Ongo Homes to be fully compliant with the RSH Regulatory Standards for Governance and Financial Viability, Rent, Home, Tenancy, Neighbourhood and Community and Tenant Involvement and Empowerment;
- noted the Value for Money standard will be self-assessed in full once the year end statutory accounts are finalised as it draws upon data from there; and
- scrutinised and considered compliance against the NHF Code of Governance 2020 for the period 1 April 2022 to 31 March 2023 as per the self-assessment.

10. Agenda item 8.2: Intra Group Agreement

Summary: Following the group structure change a new IGA was required. There will now be one IGA that will cover all subsidiary entities. Currently there are several IGAs between different entities. The new IGA will replace all previous.

Discussion points/questions:

Background and purpose of the meeting

The Chair reported that:

- Ongo Homes (as parent) is intending to enter into an intra-group agreement with Ongo Communities Limited, Ongo Recruitment Limited, Crosby Brokerage Limited, Ongo Commercial Limited, Ongo Roofing Limited, Ongo Heating & Plumbing Limited, Ongo Developments Limited and Ongo Homes Sales Limited (as subsidiaries of OH (each a **Subsidiary**) to express the group's common objectives and disciplines (the **IGA**);
- the purpose of the meeting was to consider, and if thought appropriate approve the IGA.
- The latest draft of the IGA was tabled at the meeting:

Legal issues

- **No Breach** - it was reported that entering the IGA would not be in breach of or cause Ongo Homes to breach any restriction imposed on Ongo Homes by its rules, any other agreement or instrument to which Ongo Homes is a party or which is binding on it.

Agreed: Board considered the documentation and after careful consideration resolved that:



- entering into the IGA would be in the best interest of Ongo Homes and the group as a whole;
- the IGA was approved substantially in the form circulated to the meeting;
- approved entering into the IGA by each of the Subsidiaries;
- Ongo Homes' officers are authorised to take such actions as they consider reasonable to facilitate the adoption of the IGA; and
- that the IGA be circulated to each Subsidiary for their approval.

10. Agenda item 8.3: Safeguarding – Annual Update

Summary: Section 11 of the Children Act 2004 places duties on a range of organisations, agencies, and individuals to ensure their functions and any services that they contract out to others are discharged having regard to the need to safeguard and promote the welfare of children. Ongo is required to have arrangements in place to reflect our duties to safeguard and promote the welfare of children and adults.

Discussion points/questions:

- Kevin Hornsby explained to the Board there had been some staffing changes over recent times and he was now confident the right people were in the right roles to fulfil duties around safeguarding.
- Ongo Homes has a strong relationship in the North Lincolnshire Council area and is looking to see how this can be replicated in other local authority areas.
- A Member stated this was an important issue and the real outcome was whether an individual got the support they needed.
- In relation to the joint safeguarding self assessment completed, it was asked how sure Ongo Homes was around its employees. There was a requirement to obtain references and a Member wondered if Ongo was sure people representing it would not cause damage or harm.
- Jo Sugden explained the process around references that is undertaken and how the requirements for Disclosure and Barring Service checks has changed. There are now less jobs that require this check. New staff have a six month probationary period. As Chair of Audit & Risk, Mike Finister-Smith suggested this was a risk that could not be completely mitigated against.
- It was asked if there was any triangulation between staff/customer feedback with concerns on staff members. Jo Sugden felt the culture was one where people could raise concerns and she felt it was a case of ensuring this was emphasised.
- The two red indicators on the self assessment have progressed to amber following further work since the document was written for the Board meeting.

Agreed: Board:

- acknowledged and noted the contents of the report. No additional requirements were requested in respect of the annual safeguarding report to be presented going forward;
- confirmed it had reviewed the self-assessment and were satisfied that all risks have been identified in respect of safeguarding at Ongo Homes, and appropriate actions have been agreed to ensure the risks are reduced or removed.



- noted North Lincolnshire Safeguarding Adults Board (SAB) 3-year strategic plan attached at appendix 2.

11. **Agenda item 8.3: Governance Update**

Summary: Provided an update on recent regulatory judgements and gradings to ensure the Board is fully aware of any recent changes in the sector, including any other updates from the Regulator. It also covers other areas of governance which require board approval or discussion.

Discussion points/questions:

- It was highlighted to the Board they would be asked to agree the Value for Money statement via Convene. The statement needed to be agreed before it was included within the year end financial statements. It relied on data from the year end which was still being finalised so was not ready to be presented at this meeting.
- The Chief Executive's appraisal had been completed and this was reported to the Governance & Remuneration Committee.

Agreed: Board

- noted the completion of the Chief Executive's annual appraisal and agreed targets for 2023/24. This was reported to the Governance & Remuneration Committee on 20 June;
- noted the intention to circulate the VFM statement to Board for approval via Convene;
- noted the statistical data return (SDR) was submitted on time as required by the Regulator of Social Housing (RSH);
- noted the sector update on regulatory findings by the RSH;
- considered the declarations of interest made by Board Members and noted this information is publicly available by request on the Ongo website.

12. **Agenda Item 10: Strategic Risk Register**

Summary: Risk is the possibility of an event and the consequences it has on the achievement of objectives, both at a strategic and operational level. Robust Risk Management is an essential element of effective Governance and a strong internal control environment.

Discussion points/questions:

- The cyber risk assessment was reviewed and accepted by Group Audit & Risk Committee.
- Board discussed the people score and after debate agreed it should be reduced. **Action 8/23.**
- Our new internal auditors, Wylie & Bissett have completed their first assessment. This was on wellbeing and strong assurance was given. The full report will go to Audit & Risk.
- There are three reds against financial resilience which might be viewed by a third party as a weak position. Ongo feel this is reasonable and it was asked if the proper picture was being given?
- A Member felt it does imply we do not have financial resilience and mitigations but we have and we have mitigations to show how we control this.

Agreed: Board considered and debated the Strategic Risk Register and the addition of the cyber risk.

13. Agenda Item 11: Confirmation of items via Convene in Advance

Summary: Items were circulated on Convene with a request for Members to consider them in advance and the approval decisions to be ratified at the meeting.

Discussion points/questions:

- It was confirmed the decision had been approved by a majority of Members via Convene.

Agreed:
Approved Supplier List: As required by the Standing Orders, the report presented the approved supplier list to Board.
Policies for Approval: Board formally approved the following documents:

- Value for Money Framework
- Building Safety Resident Engagement Framework
- Charitable Donations and Sponsorship Policy
- Board Member Code of Conduct

14. Agenda Item 12: Other Board & Committee Updates:

14.1 Agenda Items 12.1: Minutes from all meetings within the group

14.2 Agenda item 12.2: Assurance Update from Board and Committee Chairs

Minutes from all other Board and Committee meetings are available for Members to view within the Document Library in Convene. The Chairs Updates from the Ongo Commercial meeting held on 10 May 2023 and Governance and Remuneration meeting held on 20 June 2023 had not been provided by the Chairs before the meeting pack was issued. These will be included in the September meeting pack.

15. Agenda Item 13: Attendance List

The attendance list was noted.

16. Agenda item 16: Time for Reflection

The meeting had concluded earlier than anticipated. The Chair thanked Members for their attendance and wished them a safe journey home.

With no further business the meeting closed at 3.52pm.

Signed by Chair: Date:

As a true and correct record of the Ongo Homes Board meeting held on 3 July 2023.

