



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

**Held at 2.00pm on Wednesday 29 November 2023**  
**Board Room, Ongo House, High Street, Scunthorpe, DN15 6AT and via MS Teams**

**MINUTES**

**Present:**

**Ongo Homes Board:** Bob Walder (Chair), Mike Finister-Smith, Helen Lennon, John Wright, Paul Warburton (Teams), Steve Hepworth, Melvin Kenyon, Natalie Cresswell, Rachel Cook, Gerraint Oakley

**Officers:** Jo Sugden, Fiona Ruddick (Minutes), Ashley Harrison, Pete Stones, Kevin Hornsby, Bev Lewis, Lesley Warburton, Andrea Morley

**Apologies:** Paula Gouldthorpe, Kacper Merta

**Absence:** None

**Also Present:** Lisa Whelan (Teams) (Board Trainee), Christian James (Board Trainee)

**Observers:** Keith Lumbers and Anita James

**Time meeting opened:** 2.03pm

**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. Agenda item 3: Minutes of Previous Meetings and Matters Arising**

Minutes of the open and confidential meetings held on 13 September 2023 were agreed as a true and accurate record for the Ongo Homes Board and will be signed by the Chair.

**3. Agenda item 4: Action List**

Updates on the action list were noted as per the meeting pack.

#### 4. **Agenda item 5: 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:

- Steve Hepworth updated the Board on relevant issues which included the Homes for Ukraine scheme being extended. Ongo Homes has a contract from North Lincolnshire Council to provide that service so this may be extended.
- The Greater Lincolnshire Devolution has been approved. A Member suggested when the potential mayoral candidates are known, Steve Hepworth contact them at an early stage to introduce himself and Ongo and raise the issues facing the social housing sector.
- There is more contact from the Housing Ombudsman with two more findings made against Ongo Homes. One complaint relates to a boiler replacement which took 13 days instead of 10. Both complaints date back some years including during periods of lockdown when services were disrupted.
- It was considered important that we take account of where we are now, in terms of service delivery, rather than where we were several years ago. Staff are feeling the impact of these findings as a negative, despite the findings being based on services provided historically.
- There was a discussion around current Housing Ombudsman findings with many Members working in the sector having findings made against their organisation.
- The social housing sector is feeling it is under intense scrutiny. It was accepted that ultimately tenants had received a poor service. Sometimes there were extenuating circumstances such as problems gaining access and the Housing Ombudsman did not appear to make any allowance for this.
- Steve Hepworth explained there are four policies due for review before the end of the financial year. These have all been identified as key policies to be reviewed early on in any merged structure. A request was made for Board to approve these policy reviews be delayed, so they are not reviewed twice in quick succession. This was the probity policy, treasury management policy, delegations framework and customer charter. Board were happy to support this request.

**Agreed:** Board noted the spoken update provided by the Chief Executive on issues within the sector. Board agreed to postpone the policy reviews for Probity, Treasury Management, Delegations Framework and Customer Charter.

#### 5. **Agenda Item 6: Strategic Risk Register**

*Summary: At the last Group Audit and Risk Committee meeting a reduction in risk score was agreed for Quality Homes and Customer Expectations. Given recent events, the Quality Homes Risk should remain out of appetite with customer expectations flagged as they are strongly linked. Reduction in Financial Resilience risk score recommended for Board approval. People Risk remains within appetite, although should be monitored as we move through organisational change.*



Discussion points/questions:

- Audit & Risk Committee had agreed some changes to the risk scoring.
- The people risk will be closely monitored.
- The sector risk profile had been published by the Regulator of Social Housing. Board Members were encouraged to read the document in full. A piece of work is taking place to compare how the profile reflects on Ongo.

**Agreed:** The Board considered the Strategic Risk Register (appendix 1) and approved the recommendations and considered the key messages from the 2023 Sector Risk Profile.

## 6. **Agenda Item 7: Lessons Learned - Corringham**

*Summary: The Corringham development project was the organisation's second venture into developing homes for market sale. In order to continue to learn from such projects and improve on future similar projects, a detailed log of lessons learnt was kept and this is provided in Appendix 1.*

Discussion points/questions:

- Lesley Warburton presented the report to Board and explained there had been learning opportunities arising from the scheme. Some were site specific but others were broader learning points that would help in future schemes.
- A Member felt the report made interesting reading and thought it was thorough. They asked how staff from different departments had worked through the project.
- Lesley Warburton explained how colleagues had got together from the different departments to contribute to the report. She explained the working relationship between the Home Ownership and Developments Team was good. To strengthen things, processes would be written down to be clear who was responsible for what.
- Pete Stones explained the success of the project was £200,000 profit raised for Ongo Homes which was the driver for completing properties for sale on the open market.
- The two completed schemes had both made more profit than originally projected. It would be for the Board to have a discussion on whether they wished to pursue further schemes of this nature.
- A Member asked if the profit made, outweighed the additional effort required by staff and the one off costs of the scheme. There is a public open space still to be landscaped, the cost of this can be recharged to the private owners. There would then be an ongoing maintenance charge for that, which again would be recharged to the private owners.
- It was recognised that it had taken staff time to deliver this scheme, however, as staff become more familiar and used to these schemes, their input reduces.

**Agreed:** Board considered the report and assured themselves there is the appropriate level of scrutiny with regards to continuously ensuring lessons are learnt that can be taken forward onto any future market sale ventures.

## 7. **Agenda Item 8: Value for Money (VFM) Update**



*Summary: The report provides an update on VFM within Ongo, including an update on the VFM gains recorded during the 2023/24 financial year to date (YTD) and work of the VFM steering group.*

Discussion points/questions:

- A Member commented the £99k of savings identified so far, were 20% of the target and asked if the target was likely to be achieved.
- It is difficult this year to identify VFM savings; due to additional pressure on resources and increased costs. It is the Board that set the VFM target each year.
- Next year, there may need to be more realism involved in what could be achieved and what Board should consider when setting the targets.
- VFM activity will change in the future, regardless of the merger happening or not.

**Agreed:** Board noted the report which provided a six-monthly update on Value for Money (VFM) within Ongo.

#### **8. Agenda Item 9: Net Zero, Carbon Reduction and Environmental Update**

*Summary: This report provides the annual update against the Carbon Reduction Plan and Environmental and Sustainability Policy. It links to the decarbonisation strategic risk and asks Board to consider the appetite for retaining previously agreed actions and targets. It also features the revised Net Zero Action Plan for approval.*

Discussion points/questions:

- Andrea Morley presented the report to Board and explained about the changes Government had made recently around net zero ambitions. In those announcements, no specific mention has been made of the social housing sector so our commitments remain unchanged.
- A Member stated it was a good report written on a complex ever changing subject matter.
- It was explained a new round of social housing decarbonisation funding has opened. Ongo is working with Equans to write and submit a bid. The information provided during previous bids will be reviewed and built upon.
- Ongo has obtained Shift accreditation gaining silver which is very rare to be awarded at first application.
- There are weekly meetings with Equans to discuss progress for the bid application.
- It was pointed out that Andrea Morley had taken up this post approximately six months ago and she had brought a renewed vigour to the topic which she was thanked for.

**Agreed:** Board considered and debated Ongo's current position, confirmed satisfaction with progress and agreed Ongo's appetite for retaining previously agreed dates and targets and approved the revised Net Zero Action Plan.

#### **9. Agenda item 10: Performance and Financial Reporting**

*Summary: The report presented operational and financial performance of Ongo Homes (entity and group) for the period to September 2023 year to date (YTD). Net operating surplus for the*



*YTD is £1.1m adverse to the original budget. This is driven primarily by additional property costs incurred to resolve the repairs backlog and damp and mould issues. Costs are expected to continue into Quarter 3, thereafter reducing, with a lessened impact expected in 2024/25. The expected full year 2023/24 impact is £2.5m but is offset by a £1.8m reduction in Local Government Pension Scheme (LGPS) pension contributions. The result is a forecast net operating surplus of £7.2m (13.0%) versus budget of £8.6m (15.4%), leading to a red status of the related financial golden rule.*

Discussion points/questions:

- This is the second time Board have received the report in this format. It is a combined report showing both financial and performance data.
- The management accounts presented were for the period to the end of September 2023. Due to the ongoing work on budget setting it had not been possible to provide October data.
- A Member queried the void loss; Pete Stones explained the figure is down to the lowest it has been in a long time and it is now below budget.
- Property spend appeared to have decreased but damp and mould spend increased. 20% of repairs are now classed as damp and mould repairs. Pete Stones stated staff had now got hold of repairs cases.
- As we head into the winter season it is anticipated repairs will increase. There is a meeting scheduled to plan more efficiently for how this will be managed, especially around the Christmas break period.
- The increased number of damp and mould cases is not because the properties have changed, but there is pressure on affordability of tenants being able to heat their homes. There is also less tolerance on tenants around condensation, mould on window cills etc which is seeing an increase in repairs calls.
- Officers are working through trying to resolve many outstanding repairs including work on air vents, improved roof insulation.
- There is a red indicator within Ongo Homes' finances which is attributed to the business doing what it had to in terms of resources/spend to deal with operational issues e.g. repairs, damp and mould cases.

**Agreed:** Board noted the contents of the report and associated information and approved the management accounts of Ongo Homes (entity and group) for September 2023 and noted the red status of one financial golden rule and the red status of one business plan stress test indicator for Ongo Homes.

#### **10. Agenda item 11: Governance Update**

*Summary: This report aims to provide an update on any 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 of Social Housing (RSH). It also covers other areas of governance which require board approval or discussion.*

Discussion points/questions:



- In addition to updates on regulatory judgements in the sector, the report included a self assessment against the Government’s newly published guidance on damp and mould.
- This was a comprehensive self assessment with one Member commenting it was heavily process based.
- Reviewing how things have progressed with all the processes in place would be useful. Working to reduce the outstanding repairs to a more manageable number is key for staff. Once that number is reduced, it is felt the processes will work well.
- Lesley Warburton explained the “normal” figures are not clear for this time of year because of the backlog of outstanding repairs. Andrea Morley explained the fabric first approach Ongo had taken.
- Following the change to Ongo Homes’ Rules earlier in the year, Board Member appointments are no longer dealt with at Annual General Meetings.

**Agreed: Board**

- noted the sector update on regulatory findings by the RSH
- re-appointed the following Board Members in accordance with Ongo Homes Rules clauses D10 and D11: Robert Walder, Micheal Finister-Smith, Melvin Kenyon, Helen Lennon, Paula Gouldthorpe, Natalie Cresswell, John Wright, Rachel Cook and Paul Warburton.
- noted the FVA (electronic annual accounts) had been submitted to the RSH and the annual return submitted to the Financial Conduct Authority
- noted the initial self assessment on damp and mould has been completed in line with the publication of Government guidance – Understanding and addressing the health risks of damp and mould in the home.

Christian James, Lisa Whelan, Andrea Morley, Keith Lumbers and Bev Lewis left the meeting at this point.

**11. Agenda Item 12**

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

**12. Agenda Item 13**

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

**13. Agenda Item 14**

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

**16. Agenda Item 15: Other Board and Committee Updates**

Minutes from all other Board and Committee meetings are available for Members to view within the Document Library in Convene.

**17. Agenda Item 16- Assurance Update from Board/Committee Chairs and Community Voice**



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 meetings on 1 August and 16 November 2023 had not been provided in time for inclusion in the meeting pack.

**18. Agenda Item 17 – 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:

- The reports circulated in advance were confirmed as approved.

**Agreed:**

- Considered and approved the review and revisions to the Conflict Resolution Policy, written to ensure decision making at Board level is as cohesive, efficient and effective as it can be within the Group as there are overlapped board. This means that the same people sit on the of a number of entities within the Group.
- Considered and approved the review and revisions to the Controls Framework that is in place with the aim of protecting the Group’s social housing and charitable assets. It details the Group’s governance structures and internal control systems.
- The Chair approved an application from a tenant to become a Tenant Shareholder of Ongo Homes. This was approved via Convene.

**19. Agenda Item 18 – Attendance List**

The attendance list was noted.

**20. Agenda Item 19 – Time for Reflection**

With no further business the meeting closed at 4.28pm.

Signed by Chair: ..... Date: .....

As a true and correct record of the Ongo Homes Board meeting held on 29 November 2023

