



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

Held at 2.00pm on Tuesday 26 March 2024
Board Room, Ongo House, High Street, Scunthorpe, DN15 6AT and via MS Teams

MINUTES

Present:

Ongo Homes Board: Bob Walder (Chair), Mike Finister-Smith (Teams), Helen Lennon, John Wright, Paul Warburton, Steve Hepworth, Melvin Kenyon, Rachel Cook, Melvin Kenyon, Paula Gouldthorpe, Rachel Cook, Kacper Merta (Teams)

Officers: Jo Sugden, Fiona Ruddick (Minutes), Ashley Harrison, Kevin Hornsby, Neil Keay

Apologies: Gerraint Oakley, Natalie Cresswell

Absence: None

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

Observers: Fran Rhodes, Rachael Fullwood (Lincs Rural Housing), Michelle Turner (Lincs Rural Housing)

Time meeting opened: 2.02pm

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: No declarations of interest were made.

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

Minutes of the open and confidential meeting held on 23 January 2024 were agreed as a true and accurate record for the Ongo Homes Board and will be signed by the Chair.

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

All actions were now complete as reported in the meeting pack.

3. **Agenda item 5: Chief Executive Update and Board Discussion**

4. **Agenda item 5.1: Chief Executive's Presentation**

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 delivered a presentation to the Board. Various items were covered including Housing Ombudsman fees, proposed competency standard by Regulator of Social Housing (RSH) as well as giving an update on the current situation around repairs.
- For repairs, there is a lot of work internally to cleanse the current data on QLx. When this has been complete, focus will move to cleansing data for repairs held by contractors.

Agreed: Board noted the presentation provided at the meeting.

5. Agenda item 5.2: Customer Services Update

Summary: The report provided an overview to Board on key operational matters focusing on the approach to complaints handling and plans to comply with the new complaint handling code and most recent Housing Ombudsman (HO) cases and findings.

Discussion points/questions:

- Kevin Hornsby presented the report to Board.
- A clarification question was asked about the percentage of complaints upheld. It was confirmed this data was stage 1 and stage 2 complaints combined.
- As the Member Responsible for Complaints (MRC) Rachel Cook explained she had met with Kevin Hornsby and Becky Johns recently to discuss the requirements. As a Board, she felt the key thing was to have that oversight of complaints and the work of the Customer Resolution Team. She felt the line of sight the Board needed was around strategic key performance indicators, what stage of learning the organisation is at and how that learning has come about e.g. from our cases, learning from others etc.
- A Member agreed and felt the focus for Board needed to be the lessons learnt, not the detail. There was an agreement that the specific cases for Housing Ombudsman would be provided within discretionary reading in future, not the full meeting pack. **Action 6/24**
- A Member commented there was a theme, both within the Housing Ombudsman cases and issues around repairs relating to data and record keeping. There had been steps taken to amend the fields operatives have to complete on their iPads when they have attended a repair.
- The process of customer contact has been mapped out and contractors are being contacted to sign up to the contractor module within QLx to help improve monitoring of repairs.
- Director of Property Interviews are being held on 27 March. If it is not possible to recruit from those, Steve Hepworth has already discussed with the existing team about taking on additional responsibilities in the short term as well as hiring interim support.
- For wider repairs staff, Neil Keay explained further recruitment is happening now. Previously it was a struggle to find staff but recent adverts have attracted around 50 applicants.
- A Member felt it was not just about reducing external contractor spend on repairs, but about improving the customer experience. It was explained how the self service system is being reviewed to try and enhance it more and automate actions were possible.
- Whilst there is a lot of scrutiny currently, it was pointed out since 2019 there have been around nine housing ombudsman cases from over 100,000 repairs jobs in that period.



Agreed: Board:

- considered the content of the report, noted the most recent findings and learnings from HO cases and confirmed they are satisfied with Ongo's plans around the new complaints handling code and Member Responsible for Complaints (MRC);
- confirmed they are content with the new HO case notification process as set out in section 4.4 of the report.

6. Agenda Item 5.2: Performance Benchmarking Update

Summary: Housemark provide a tailored end of year report, monthly insight into Key Performance Indicators (KPIs) for current year and facilitate exercises to help members prepare for regulatory returns such as the new tenant satisfaction measures (TSM).

Discussion points/questions:

- Ashley Harrison pointed out a typo for TP01 which stated third quartile instead of fourth.
- Despite requests, Housemark will not provide specific information around the digital only organisations Ongo is benchmarked against. All that is known is the organisations are countrywide, include two local authorities and range from holding 500 properties to some of the biggest organisations.
- A Member commented that most organisations have seen a downward trend within the upper quartile.
- There are some positives within the data such as rent arrears.
- It was asked if Ongo was involved in any benchmarking clubs, that might help to be more forward looking when comparing with peers. This is something Steve Hepworth said could be investigated.
- The issue of survey bias was mentioned, along with the negative responses digital surveys can bring, as found by several organisations.

Agreed: The report is an update on the latest tailored report received from Housemark in February 2024. Board reviewed and discussed previous and current performance against benchmarking, whilst also considering the tenant satisfaction measures (TSM) which will be submitted to the at year end.

7. Agenda Item 6: Budget 2024-25

Summary: The budgets for the organisation must be considered and approved by the board on an annual basis. These will form the basis for financial control and reporting during the financial year, and for our reporting on the financial position of all Ongo businesses. The report presented the final budget for Ongo Homes and budgets for Ongo Communities and Ongo Commercial entities and Ongo Developments.

Discussion points/questions:

- Since the draft budgets came to the last meeting, there is one change for Ongo Communities. They have taken a decision to run some projects to utilise their reserves and remain within the requirements of their reserves policy.



- A Member commented there was a significant increase in operating margin this time and asked if it was realistic. Leadership Team have reviewed the budgets and have all signed up to the content. There is a pledge not to overspend on budgets
- Controlling repairs spend will be difficult but is highly focused and there is significant challenge.
- The Executive Leadership Team concluded that we have strive to deliver this budget.

Agreed: Board:

- approved the budgets for Ongo Homes for 2024-25 following the original budget presented in January 2024;
- approved the budgets for the Ongo Communities and Ongo Commercial businesses and Ongo Developments for 2024-25 which have been approved by the respective boards;
- approved the consolidated budget for 2024-25 for the Ongo Group.

8. Agenda Item 7: Business Plan 2024-25

Summary: The business plan for the organisation must be considered and approved by the Board on an annual basis. These will form the basis for financial control and reporting during the financial year, will facilitate the Board's long term business planning, and provide the basis for reporting of long-term financial position of the group to external partners, in particular the regulator and our funders. This report considers the long-term business plan.

Discussion points/questions:

- Ashley Harrison commented this business plan was the most challenging he had been involved in testing for some time.
- It is more sensitive to operational budgets. Repairs and maintenance, rent cuts or long term rent freezes all have a significant impact.
- A Member commented the mitigation plan was important, should any of these identified risks become a reality.
- Overall the Board felt this was an excellent piece of work.

Agreed: Board approved the business plan and analysis of it as presented, notes and approved final adjustments in relation to the closing year end position will be made and reported at the meeting in May.

9. Agenda item 8: Performance and Financial Reporting

Summary: The following report presents the operational and financial performance of Ongo Homes (entity and group) for the period to January 2024 year to date (YTD). As a result of the funds required for the Guinness stock acquisition, we have drawn down £20m of the Barclays revolving credit facility (RCF) in 2023-24. Net operating surplus for the YTD of £4.6m is £1.2m adverse to forecast.

Discussion points/questions:



- The report presented the January performance. Ashley Harrison explained the finance team are late getting the February accounts finalised, mainly due to the approaching year end. He had however, not seen anything adverse in the draft information provided to him to date.
- A Member asked why the build for sale site in Scotter now appeared to be having some social housing built on it. This was a requirement of the local authority planners. It does have the benefit of de-risking the site.
- A Member commented that performance around staff engagement and staff turnover was positive.

Agreed: Board

- noted the contents of the report and associated information and approved the management accounts of Ongo Homes (entity and group) for January 2024;
- noted the red status of one financial golden rule and the amber status of one business plan stress test indicator for Ongo Homes.

10. Agenda Item - 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:

- Audit and Risk Committee had flagged up the People risk, given the upcoming retirements of the Director of Property and the Head of Property.
- A full risk review is needed, to align the risks to the new corporate plan. This will be done at the Group Wide Board Away Day to be held in June.

Agreed: Board considered the Strategic Risk Register.

11. Agenda Item 10 - Health, Safety and Wellbeing

Summary: Ongo has a duty of care to all stakeholders, including our employees, customers, and contractors. We have a legal obligation to comply with various Health and Safety legislation and regulation, with serious consequences if we fail to do so. Board & Committee members must play a key role in setting the tone from the top, the risk appetite and providing oversight for Health and Safety.

Discussion points/questions:

- There had been an incident involving a contractor with asbestos. Information is provided to contractors.
- The process around no access to properties for electrical certificates was enquired about. It is similar to gas but there is no absolute legal requirement for the five year check and court proceedings have not yet been instigated. This process relies more on information within the tenancy agreement allowing us access. Fire risk assessment actions outstanding was zero at the time the report was compiled. This is a snapshot in time and an ever changing figure.



There had been previous times where some actions were outstanding at the time of reporting.

- For the carbon monoxide alarms, Board requested the total number of properties that must have an alarm fitted be provided. 100% of properties with gas needed an alarm, but not all properties within the stock had gas. Board wanted to understand the context in how many remained outstanding. For the May meeting, Board required an update on the programme for fitting carbon monoxide alarms **Action 7/24**.

Agreed: Board:

- confirmed they are satisfied with the management of Health, Safety and Wellbeing arrangements set out in the report;
- discussed but did not identify any additional Compliance Indicators required for 2024-25;
- approved the annual review of the Health and Safety Policy.

12. **Agenda item 11 - Governance Items**

13. **Agenda item 11.1 Governance Update**

Summary: Standing Orders were last updated in September 2022; there has been a full review of them to bring up to date. The National Housing Federation (NHF) Code of Governance (2020) requires regular reviews of our effectiveness; standing orders require a triennial review of governance. The 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). Two in depth self assessments against regulatory standards are provided. The report also covers other areas of governance which require board approval or discussion.

Discussion points/questions:

- Draft Standing Orders had been presented to the Audit & Risk Committee for consideration.
- A request was made to lengthen the timescale for production of minutes from seven days. The wording around conflicts of interest should be reviewed – as it currently read it implied Board Members with any type of conflict had to leave the room. This was not how it worked in practice. **Action 8/24**.
- A scope of work for triennial governance review was presented. A Member asked if this was a tick box requirement. The RSH Governance & Financial Viability Standard requires organisations to adopt a code of governance. The NHF code of governance requires a three yearly external review.
- A Member was keen this review added value, rather than being a cut and paste exercise. With the fast changing regulatory environment in the sector, Jo Sugden felt this would add value. It had been four years since the last full external review, this work had been delayed because of the potential merger last year.
- In terms of whether to use consultants from outside the sector, one Member felt there were consultants who, if you gave them the rules and regulations, they would be able to come up to speed. Another Member felt given the continuous regulatory pressure, using consultants within the sector was preferable currently. They added these consultants do meet regularly with the RSH so are up to date on current issues.



- This was taken as the view of the wider Board, with a challenge to use a consultant that has not been used previously by Ongo on governance to give a different perspective. It was suggested the route to procurement be reviewed and consider publishing an opportunity which may attract wider responses to the usual consultants.
- The end of financial year 2022/23 value for money regulatory standard and an in depth review of the neighbourhood and communities standard were presented. Both found Ongo Homes to be fully compliant.
- Homes England undertake compliance audits on their grant recipients. Ongo Homes recently had an audit and the findings are *green – meets requirements*. This confirms Ongo Homes has met Homes England’s requirements around funding conditions, contractual requirements and properly exercised responsibilities set out in the capital funding guide.

Agreed: Board

- approved the proposed amendments to Standing Orders as recommended by Audit & Risk Committee; subject to the above requests for further amendment;
- considered and approved the scope for the external governance review as recommended by the Governance & Remuneration Committee;
- advised sector consultants to be approached for governance review quotes and to consider procurement route and possibly publish an opportunity inviting consultants to quote;
- noted the green audit finding granted by Homes England relating to our compliance against their development programme;
- noted the sector update on regulatory findings by the RSH and the incoming changes with new consumer standards and the Regulator’s new approach to regulation;
- noted the end of year self-assessment for financial year 2022/23 against the Value for Money Standard and in depth review of Neighbourhood and Community Standard finding Ongo Homes fully compliant.

14. Agenda Item 11.2: Succession Planning/Recruitment

Summary: The succession plan was last reviewed by Group Common Board (as was) in September 2022. Due to the potential merger last year we entered into a standstill agreement which meant no additional recruitment could take place. As the merger placed uncertainty around our governance structure post merger, the succession planning report was not considered in September 2023, when it would have been due.

Discussion points/questions:

- The subject had been considered by the Governance & Remuneration Committee. The report incorporated their suggestions, along with some of the Chair of the Board.
- A Member commented it was a good paper, clearly set out.
- Ongo Developments Board had been highlighted as a risk area; a Board covering one of the biggest areas of expenditure within the business.
- There were several proposals made and discussed, the outcomes are:
 - Moya Jones reaches six year tenure on 20 June 2024. It was suggested the tenure of Moya Jones could be extended by six months to 30 December 2024 to retain some expertise and knowledge during period of change.



- Paula Gouldthorpe reaches six year tenure on 23 May 2024. To extend tenure by one year to 31 May 2025. To move from Ongo Homes Board Member to independent Board Member on Ongo Commercial Board – gives continuation of experience on commercial board and reduces time commitment for Paula. Move away from Ongo Homes Board to take effect when replacement recruited.
- Natalie Cresswell reaches six year tenure on 13 July 2024. To extend tenure by one year to 31 July 2025 to allow for settlement with Ongo Communities Board in her new role as Chair. To relinquish additional role on Ongo Developments Board when replacement recruited.
- Mike Finister-Smith reaches six year tenure on 1 December 2024. To extend tenure by one year to 31 December 2025. To move from Chair of Audit and Risk Committee on 31 December 2024 to Ongo Homes Board Member that sits on Audit and Risk Committee. To mentor John Wright as new Chair of Audit and Risk Committee.
- John Wright to become Chair of Audit and Risk Committee on 1 January 2025, to be mentored by Mike Finister-Smith.
- Extend tenure of Bob Walder by one year to 15 September 2025. To provide stability post potential merger.
- With the retirements of Helen Lennon and Melvin Kenyon, replacements will be recruited. The new Ongo Homes Board Members will each have an additional role. One will sit on Ongo Developments Board (replacing Natalie Cresswell), one will be a Committee Member on Governance & Remuneration Committee (replacing Melvin Kenyon). Recruit immediately.
- Third new Ongo Homes Board Member to be recruited to replace Paula Gouldthorpe. This role will also sit on Ongo Commercial Board. Recruit immediately.
- Independent vacancy on Ongo Communities Board – to be deleted.
- Independent vacancy on Ongo Commercial Board – to be recruited into. This will be in addition to Paula Gouldthorpe becoming an independent Board Member on that Board and create resilience in the membership. Recruit immediately.
- Independent role on Ongo Developments Board (currently filled by Moya Jones) – recruit ready to start late 2024.
- Our succession planning and recruitment policy guarantees an interview to Board Trainees for board vacancies. A request was made to recruit two additional trainees in the July cohort that HDN would be starting.

Agreed: Board

- discussed succession planning for the group, considered the recommendations made by Governance & Remuneration Committee and confirmed the proposals as outlined above relating to extensions to tenure and changes to roles;
- Agreed changes to be made to the Composition Statement based on above;
- noted our two Board Trainees will be guaranteed an interview for any recruitment;
- confirmed a previous decision to extend tenure of Bob Walder to September 2025;
- Approved the proposal to recruit two additional Board Trainees as recommended by Governance & Remuneration Committee.

15. Agenda Item 12 – Asset Management Plan



Summary: The 2022-26 Asset Management Plan was approved by the Board at its March 2022 meeting. Accompanying the strategic plan was an action plan and it was agreed that an annual report detailing progress against this action plan would be presented to Board.

Discussion points/questions:

- Neil Keay explained Ongo Homes had successfully been granted £2.2million of funding in the social housing decarbonisation fund.
- In relation to improving homes to EPC rating C, Ongo's intentions are to improve to EPC rating B to allow an element of future proofing in terms of energy efficiency.
- A Member informed the Board that some associations in West Yorkshire are looking at making some straightforward changes to properties which make them dementia friendly.
- Another Member felt it would be useful if progress on the action plan was rated (red, amber, green) to make the information more user friendly. **Action 9/24.**

Agreed: Board discussed the progress against the Asset Management action plan and confirmed they are satisfied with current progress.

16. **Agenda Item 13 – Technology and Innovation (T&I) Update**

Summary: The T&I team is fully resourced and structured into three pillars (support, improvement and performance and development and security) to clearly define and resource appropriately the activities it is responsible for.

Discussion points/questions:

- There is no ICT strategy due to a decision previously made by Board to have three/four main strategies instead which directly support the corporate plan.
- A Member commented this was a significantly resourced team and there needed to be some thought around its direction of travel and how it is held accountable.
- One Member did not feel the level of detail was needed for the Board.
- There was a channel shift around technology, with the increase in AI.
- The progress made by the T&I team was acknowledged, especially how home working expedited technological improvements.
- The Board asked to see a future report looking at the long term strategic direction and objectives of T&I **Action 10/25.**

Agreed: Board received the high level information regarding the T&I team along with the delivery plans and work regarding the group's key systems. Although the report does not detail in great length all the initiatives and finer details, Board endorsed the activities detailed within it and asked for thought to be given as how to create a more strategic forward looking plan for T&I activity

17. **Agenda Item 14: 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.



18. **Agenda Item 14.1: Assurance Update from Board/Committee Chairs and Community Voice**
The updates from Board, Subsidiary and Community Voice meetings were noted.

19. **Agenda Item 15: 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.
- The updated slavery and human trafficking policy and statement had been circulated in advance, along with an annual update from the Governance & Remuneration Committee on their work.
- A report covering decisions between meeting explained the Chair had taken a decision relating to reappointment of tenure on Ongo Communities Board and the Board had approved a resolution regarding bLEND funding.

Agreed:

Decisions between meetings

- The Chair provided parental approval for Debbie Clegg and Karen Locking to be reappointed to the Ongo Communities Board on rotation, as required by the Ongo Communities Articles of Association.
- Board approved by Convene the resolutions to seek further funding from bLEND.

Slavery and Human Trafficking

- Approved the Slavery & Human Trafficking Policy and Statement for the 2024 – 2025 financial year following sign-off from the Leadership team who support this recommendation for formal approval.

Governance and Remuneration Committee Annual Update

- Received a formal report from the Governance & Remuneration Committee on its work over the last year. Board confirmed they are assured the Committee is delivering its responsibilities which are delegated via the Terms of Reference within Standing Orders.

20. **Agenda Item 18: Attendance List**

The attendance list was noted.

21. **Agenda Item 19: Time for Reflection**

Members commented there had been a lot of papers for this meeting pack and one Member felt it was useful to see all the information around the housing ombudsman. Rachel Fullwood, observing from Lincs Rural Housing Association gave some feedback on how she had found the meeting.

Rachel Cook sent her apologies for the May meeting.



Before closing the meeting, the Chair took the opportunity to thank Melvin Kenyon and Helen Lennon for their service to the Board over the years and wished them all the best for the future.

With no further business the meeting closed at 4.30pm.

Signed by Chair: Date:
As a true and correct record of the Ongo Homes Board meeting held on 26 March 2024

