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

Held at 2.00pm on Monday 1 July 2024 Board Room, Ongo House, High Street, Scunthorpe, DN15 6AT and via MS Teams

MINUTES

Present:

Board: Bob Walder (Chair), Steve Hepworth, John Wright (Teams), Rachel Cook (Teams), Michael Finister-Smith (Teams), Paula Gouldthorpe (Teams), Gerraint Oakley, Paul Warburton, Natalie Cresswell

Officers: Jo Sugden (Teams), Karen Cowan, Ashley Harrison, Kevin Hornsby, Bev Lewis

(Minutes)

Apologies: Kacper Merta

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

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.

<u>Declarations of Interest</u>: 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.

Steve Hepworth declared two changes to his register of interests. Firstly that as a trustee of the TAROE Trust, he and other trustees had signed paperwork to dissolve the organisation so his position as a trustee will end. Steve also reported that he had been offered and was going to accept, a position on the Leeds Federated Housing Association board subject to confirmation at their Annual General Meeting in September. The register of interests will be updated accordingly.



Steve Hepworth also declared an interest in item 14 – contracts of employment for the Executive team. It was agreed that the executive should stay in the room for this item but that Steve would not take part in the decision.

Bob Walder declared that he was to take on the Chairperson position at Freebridge Housing but this would not be made public until the following week so asked Members to keep this information confidential.

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

Minutes of the open and confidential meetings held on 15 May 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

Updates on the action list were noted as complete or not yet due with the exception of 11/24. On this item it was explained that the consultants had not yet provided the full breakdown of costs to enable the business case to be completed and the council had paused any discussions due to the election period. Ashley Harrison requested the due date of Action 12/24 be amended to 11 September 2024 which was approved by Board.

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

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

Discussion points/questions:

- Steve Hepworth reviewed what was happening in the sector and stated that if Labour won they have promised three significant announcements very quickly around housing showing how much focus is on the whole sector. They will also immediately ban no fault evictions.
- Within Ongo the Tenant Satisfaction Measures (TSMs) are improving, Housing Perks is a success and Matrix accreditation has been achieved.
- Looking at the graphic for TSMs a Member asked about benchmarking and could the
 evidence of this be shown to Board. A formal report will be circulated which will include the
 benchmarking statistics. Ashley Harrison said the TSM quartile overall was 69.4% Action
 14/24
- The appointment of a new Chief Executive Officer at LHP was raised and Steve stated he had a tentative appointment with them for a discussion but pointed out that he thinks there will be no major changes in the near future.
- A Member asked about what approach to gaining assurance around consumer standards and tenant issues the Board could take and should they drill down further into these figures. It was agreed by the Board that further information was required to answer questions and more discussion around this was needed.
- It was stated by another Member that they felt the Board should get more involved with the
 day to day activity such as attending estate visits but it was also important to stay strategic
 and not become operational whilst doing this.
- Ashley Harrison explained there was no system currently to enable a live drill down but there would be one available in the near future.



- A Member suggested a system could be put in place whereby at the close of a meeting,
 Board put forward the topics they wish to look at in more detail to enable facilitation of this.
 Steve Hepworth felt this would be possible providing notice is given and also suggested that
 if Board members gave notice before a meeting then it would be possible to provide a drill
 down into specific areas or KPI's or reports.
- Customer mystery shopping was suggested and Karen Cowan commented that the Tenant Inspectors already do this upon request.
- A Member asked that the Executive Team considers, discusses and comes back with proposals on how Board can get more assurance on what tenants are saying Action 15/24

Agreed: Board noted the presentation provided by the Chief Executive on issues within the sector and within Ongo.

4. Agenda Item 6: Customer Services Update

Summary: This report provides an overview to Board on key operational matters and the services we are providing to our customers. The report details the latest update in relation to complaints handling and the most recent Housing Ombudsman (HO) cases and findings. The report shows an increase in the number of complaints received across Ongo at stage one but shows a decrease in escalations. Two areas of good practice are also recognised with the work around Improving Lives and strategic partnership with Scunthorpe United Football Club.

Discussion points/questions:

- Kevin Hornsby presented the report bringing attention to the fact that the Housing Ombudsman report reset on 1 April 2024 which means the cases prior to this date will no longer be included on reports.
- He asked whether Board would like to have a way of receiving updates on these. A Member felt they should have some way of getting updates and lessons learnt information about these prior cases and would welcome a tracking system. Action 16/24

Agreed: Board: considered the content of this report, noted the most recent Housing Ombudsman findings and confirmed they are satisfied with Ongo's plans around complaints and general approach to customer service.

6. Agenda Item 7: Draft Three Strategies for Formal Approval

Summary: This report presents the three new strategies to the Ongo Homes Board for formal approval along with the proposed target measures of success over the next five years. The three strategies detail how we aim to achieve the three corporate objectives (Be a great landlord, Customer focus, Growth & sustainability) over the next five years. Within each of the strategies, there are three main sections, which detail where we want to be, how we'll get there are how we'll know we've achieved what we set out to by 2029. Annual strategic plans are currently in development to map out the operational work that will go into achieving the aims of the strategies and the overarching corporate objectives. These will be closely monitored by the Leadership team with quarterly performance reviews to understand progress and look forward to what's next.



Discussion points/questions:

- Progress on the three strategies and corporate objectives will be monitored in quarterly performance reviews and fed back to Board.
- A Member asked why the percentage of tenants to be satisfied that their home is safe is only 90% and questioned if this should be 100%? Steve Hepworth replied that due to the wording of the TSM, which cannot be changed, this will never be 100% because of tenant perception.
- It was confirmed that our actual performance on landlord health and safety issues is above 90% and consistently at 100% for the key measures. It was suggested that, in the Be a Great Landlord Strategy, the following target of, "Ongo will continue to be 100% compliant with all relevant health and safety inspections" should be replaced with, "We will make sure tenants are safe in their homes by aiming to be 100% compliant with building safety and landlord compliance measures". This was agreed. **Action 17/24**
- A Member asked how realistic the 5 year plan was. The targets have been set to challenge ourselves and Steve Hepworth believes they are achievable. There is still an issue around repairs and resources which is replicated through most of the sector.
- The question was raised as to whether the targets were appropriately aligned with current activity and plans. This years actions are not fully aligned due to the timing of getting the plan and strategies agreed and communicated. However, there are packs going out to colleagues homes that include the corporate plan. It has been widely publicised and the colleague conference is coming up in September where it will be feature. Future years planning activity will be fully aligned with actions flowing from the corporate plan strategies.

Agreed: Board:

- formally approved the three new strategies for Ongo Homes following sign-off by our Leadership Team and Community Voice.
- formally approved the proposed target measures presented with the slight amendments agreed by Board around the wording on tenants feeling safe in their homes.

7. Agenda Item 8: Performance and Financial Reporting May 2024

Summary: The following report presents the operational and financial performance of Ongo Homes (and subsidiaries) for the period to May 2024. In the early part of the year, additional property costs incurred to resolve the repairs backlog and damp and mould issues continue. Measures to reduce the volume of jobs and spend, particularly with contractors are underway, but have not yet had a positive impact on costs. As a result, whilst year to date (YTD) net operating surplus of £2.2m is broadly in line with budget, costs must be actively controlled to ensure that the overall budget for the year is achieved.

Discussion points/questions:

 Ashley Harrison gave an overview of the report saying that overall we are in line with budget. However there are some hangovers with subcontractor payments and invoices and focus will be looked at after the first quarter figures are finalised.



- The red rating for Decent Homes works to the properties acquired from Guinness was raised. Ashley Harrison explained that although an amount was included in the budget for the new Guiness properties, this was based on stock condition reports provided by Guiness. It was subsequently discovered that they have not been maintained to our standards and that additional costs may be required to bring them in line but this is only based on a small sample so once more stock condition surveys are completed the picture will become clearer.
- A Member asked how the forecast for repairs was looking. The amount of catch up work
 with contractors had made the initial figures for this financial year impossible to base a
 robust forecast around, however once we have June figures we will have a clearer picture
 and if it looks likely to go over budget it would be addressed.
- Steve Hepworth explained that data quality had been looked at and the data cleanse had highlighted hundreds of jobs that had been started but not finished. This had made the last three months difficult and budget overspend was due to these historical jobs.
- If the overspend continues then Board would be presented with a plan on how to recover some of this. However there are also some issues that had come to light that had not been budgeted for, such as battery backup for our sprinkler systems in high rise flats therefore incurring unexpected costs.
- The data cleanse also made it clear where we stand so we can respond and make decisions around spending. Income collection needs focussed work on the new Guiness properties and this is ongoing.

Agreed: Board:

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

8. Agenda item 9: Restatement of Barclays RCF

Summary: This report and the documents provided with and referred to set out the terms on which Barclays are willing to amend and extend our borrowing facilities with them.

Discussion points/questions:

- Ashley Harrison presented the report from Devonshires. He talked us through the amendments to the agreement with Barclays.
- A Member commented this seemed appropriate to a company of our size. It was good to have more available funds for longer and for less cost.
- The Board agreed this was a comprehensive report and it was good it had been put in place so quickly.

Agreed: Board:

 approved the completion of the updated borrowing arrangements with Barclays which add an additional Tranche C revolving credit facility of £25m, with other amendments as described in the agreements and the covering report provided by Devonshires



(acting on our behalf in this matter).

The Finance documents which require approval are provided with this paper and are:

- The Restated Facility Agreement
- The Amendment and Restatement Agreement
- The Officers Certificate
- The Fee Letter
- The Board minute in relation to this matter

Of these documents only the Board minutes require immediate signature, by the Chair. Subsequent to that execution versions of documents will be provided by solicitors for finalisation of proceedings.

- delegated final approval and signature of the Finance Documents relating to the renewal of the Borrowing agreements with Barclays to the following;
 - Mr. S Hepworth
 - Mr. A Harrison

9. Agenda item 10: Safeguarding Annual Report

Summary: This report sets out Ongo's responsibilities and approach to safeguarding adults and children across our operating areas as well as providing an annual update to Board in relation to the number and type of cases that are being raised as concerns. The report shows that Ongo are in a positive position around safeguarding and that a clear policy and procedure is in place. It also shows that Ongo have completed all actions that were identified in the annual partnership self-assessment that was completed for 2022-23.

Discussion points/questions:

- Kevin Hornsby presented the report explaining that it lacked outcomes due to the current system but this should be rectified by the time the next report is due.
- A Member asked if training was being maximised to enable anyone to flag a concern.
 Statutory training is given and there has been a new rollout with the local authority to enhance this.
- It was said that we need to be ahead of the game when it came to safeguarding and that all staff should be aware of the processes.
- Kevin Hornsby is a member of the local authority Safeguarding Adults Board and it was
 questioned whether we should join the Children's Board also. This was something that
 we could consider going forward. Action 18/24

Agreed: Board:

- acknowledged and noted the contents of this report and provided steer on any additional requirements in respect of the annual safeguarding report to be presented going forward.
- considered the report and were satisfied that the areas of improvement identified in the 2022/23 self-assessment have been addressed to achieve the required standard attached at appendix 1 in relation to the areas we needed to strengthen only.



- noted the improved robust approach to managing safeguarding, supporting our people to recognise and report their concerns and have the appropriate governance in place to manage and respond to risk
- acknowledged the delay of implementing the new ways of working now scheduled for 1 September 2024 due to the organisational priorities in 2023/24 relating to merger, acquisition of Guinness stock and impact of new legislation relating to damp and mould.

10. Agenda item 11: Health, Safety and Wellbeing

Summary: The report was last reviewed by Group Audit and Risk Committee 11th June. The report provides an overview of 2023-24 incidents and April. Data is based on end of May figures. There are no significant concerns to be raised.

Discussion points/questions:

- Jo Sugden gave an overview of the report and opened up for questions.
- A question was raised about workplace violence around which teams experienced this and what the impact was on the staff involved. Jo Sugden explained it could happen to any of the wider workforce but mainly occurs with frontline staff.
- This has no impact on retention and staff are offered support in the form of professional counselling or support from the mental health ambassadors.
- Workplace violence is more prevalent with some roles and the rollout of the new lone working system is a great tool.

Agreed: Board confirmed they are satisfied with the management of Health, Safety and Wellbeing arrangements set out in the report.

11. Agenda Item 12: Governance

Summary: The report gave an overview of several relevant governance issues.

Discussion points/questions:

- Karen Cowan confirmed the Financial Forecast Return (FFR) had now been submitted within timescales.
- Board recruitment is going well and we have had 4 Board Trainee applications to date.
- A Member asked if the regulator had any questions about the Statistical Data Return (SDR)
 and there had been one around why the asbestos figures had gone down. This was due to
 the acquisition of the Guiness properties.
- Steve Hepworth drew attention to the amendments to the Board Induction pack and asked for an additional change to provide more clarity about the expectation of how meetings should be attended, whether in person or by Teams or Teams by exception. **Action 19/24**

Agreed: Board:

 noted the Tenant Satisfaction Measures (TSMs) and Statistical Data Returns (SDR) were successfully submitted to the Regulator via NROSH in the required timescales.



- received an update on submission of the Financial Forecast Return (FFR) to the Regulator via NROSH.
- received an update on the Board Member and Board Trainee recruitment processes.
- received an update on regulatory judgements and RSH regulation within the sector.
- approved the Board Member Induction procedure as recommended by the Governance & Remuneration Committee subject to the above addition.

12. Agenda Item 12.1: Regulatory Standards and Code of Governance

Summary: This is the first report of this nature where Ongo Homes has been the parent of the Group. It is the last report on the old consumer standards, with new standards going live in April this year.

Discussion points/questions:

- Karen Cowan stated that self-assessments had been carried out against six of the seven standards, with tenants contributing to three of them. Each was found to be compliant.
- She added that the Value For Money standard will be self-assessed in full once the year end statutory accounts are finalised as it draws up data from there.
- Karen Cowan reported that a self-assessment of the National Housing Federation (NHF) Code of Governance 2020 had shown to be compliant.

Agreed: Board:

- considered the information provided gives assurance that officers consider 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.
- scrutinised and considered compliance against the National Housing Federation (NHF)
 Code of Governance 2020 for the period 1 April 2023 to 31 March 2024 as per the self-assessment.

13. Agenda item 13 - Other Board and Committee Updates

13.1 Minutes from all other Board and Committee meetings within the Group (including unapproved draft minutes) are available for Members to view within the Document Library in Convene.

13.2 Assurance Update from Board/Committee Chairs and Community Voice

The updates from Board, Subsidiary and Community Voice meetings were noted.

14. Confidential Agenda Item

Please see separate confidential minutes.



15. Agenda Item 15: Attendance I

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 input and attendance.

With no further business the meeting closed at 3.33pm.

Signed by Chair:	Date:
As a true and correct record of the Ongo Homes Board	meeting held on 1 July 2024.

