

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

Held at 2.00pm on Tuesday 25 March 2025
Board Room, Ongo House, High Street, Scunthorpe, DN15 6AT and via MS Teams

Minutes

Present:

Board: Bob Walder (Chair) - BW, Steve Hepworth -SH, John Wright - JW, Rachel Cook - RC, Kacper Merta - KM, Matt Sugden - MS, Nicola Haywood-Cleverly -NHC, Judith Tomlinson - JT, Tracy O'Neill (-Teams) - TO, Gerraint Oakley (Teams) - GT, Paul Warburton (Teams) - PW,

Officers: Jo Sugden - JS, Ashley Harrison - AH, Karen Cowan - KC, Gemma Willey (Minutes) -GW, Louise Usher – LU, Steve Ellard – SE, Kevin Hornsby - KH

Apologies: Mike Finister-Smith - MFS, Erica Sanderson

Absence:

Also Present: Charmaine Mande (Board Trainee) -CM,

Observers: Scott Strong (Ongo colleague – Business Assurance & Risk) - SS

Time meeting opened: 14:01

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: The Chair asked members for declarations of interest. RC declared that, in relation to item 11, her team may be involved in a project that could potentially impact Crosby in relation to Anti-Social Behaviour. The Chair acknowledged this declaration and confirmed there was no reason for RC to not be fully engaged in the discussion.

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

The minutes of the meeting held on 21st January 2025 were agreed as a true record and will be signed by the Chair.

2. Agenda item 4: Action List

No comments were received, and the outstanding action was noted to not yet be due.

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

SH took the paper as read, covering the following key points:

- **Planning Reforms:** There was a question about whether Homes England will follow the removal of NHS England.

- **Greater Lincolnshire:** Elections for Greater Lincolnshire Mayor are set for May 2025. An update was also given on proposals for local government reorganisation in Greater Lincolnshire though the timescale remains uncertain. The Mayoral Election will occur first and the newly elected mayor will have a voice in the outcome of the council reorganisation.
- **Sector News:** Cash balances are at historically low levels, with record spending on repairs and maintenance, although development spending has fallen to a five-year low. The regulator is monitoring liquidity risk, emphasizing the importance of robust and flexible business plans to address policy shifts and economic pressures.
- **Ongo Initiatives:** A new approach to Neighbourhood engagement starts on 27th March, and board members are encouraged to attend at least one of these initiatives.
- **Ongo Achievements:** Homes England audited Ongo's development schemes, awarding them the highest possible Green grade, which was acknowledged by members.
- **Local Visits:** Scunthorpe MP Nic Dakin visited the East Common Lane bungalow scheme, and North East Lincs Councillors visited to explore how to meet housing needs, potentially involving Ongo more closely.
- **Pay Deal Discussions:** There have been positive talks with trade unions regarding the 2025 pay deal. Sector-wide pay discussions are ongoing, with most settling around a 1.5-2.5% increase. Ongo's proposal for a 2.1% increase is positioned in the middle.
- **Chair's Note:** The Chair emphasised the Green grade awarded to Ongo by Homes England for their development schemes.

Agreed:

- Board noted the CEO's update and thanked Mr Hepworth for the comprehensive overview.
- Board noted the Green grade awarded to Ongo by Homes England for their development schemes

Action: Governance Team to publicise the dates of the Neighbourhood Engagement scheme to board members.

4. Agenda item 6: Financial Report January 2025

AH acknowledged that the paper had been read in advance and guided the board members through the key highlights.

- It was noted that capital investment is driven not by growth, but by the condition of the stock. The process of identifying components for replacement is reviewed every five years, based on stock condition.
- JW raised a question regarding the SHDF amounts, noting the significant amount of grant funding. SE clarified that the planned expenditure had been agreed with the grant provider, with some of the works being carried over to the following financial year.
- The Chair observed that the forecast had been slightly less favourable throughout the year but commended the team's efforts to improve the situation.
- AH drew the board's attention to the proposed financial KPIs for approval.

Agreed:

- Board members acknowledged the report's contents and approved the KPIs as outlined in the recommendations.

Items 7 & 8 are CONFIDENTIAL items

5. Agenda item 7: Budgets 2025-26

AH presented the budget and noted that there are no material changes from previous versions the board have been familiar with and guided members through the headlines:

- The Chair noted that compared to other organisations the budget is not in a bad place.
- A member queried the VAT rating on the capital grant works where possible. AH advised that the organisation does what it can in this area.
- Regarding the continued rise in expenditure on existing homes, SE noted that this is a trend across the entire sector. He mentioned that benchmarking efforts have been undertaken against other organisations. While the expenditure has increased more than in some other organisations, it remains lower than in others.
- A question was asked about the impact of damp and mould issues on expenditure. SE explained that when comparing Dec-Feb25 to the same quarter in 23/24, there has been a reduction in related volumes, due to the introduction of the new damp and mould policy and the positive results from ongoing remedial work. He expressed confidence that progress is being made.

Agreed:

- The Board approved the 2025/26 budget for Ongo Homes
- The Board approved the budgets for the Ongo Communities and Ongo Commercial businesses and Ongo Developments for 2025-26 which have been approved by the respective boards prior to this meeting.

6. Agenda item 8: Business Plan 2025-26

AH presented the business plan and highlighted the following key points:

- The plan is fully compliant with all covenants.
- The value-for-money (VFM) metrics have been incorporated in accordance with VFM standards.
- Sensitivity and stress testing were discussed at the January Board meeting, and feedback from board members on the proposed mitigations was considered. AH thanked those who provided input. One mitigation, the reduction in repairs and maintenance expenditure, was added and ranked as the highest priority.
- The Chair and members acknowledged the importance of the stress-testing process, which enabled the board to make a well-informed decision.

Questions:

- A query was raised regarding the covenants and the work involved. AH explained that the matter is with Barclays and is awaiting approval from the credit committee. This process includes the consideration of gift aid from subsidiaries.
- AH further noted that external assurance will be provided to the board, pending the appointment of a new treasury advisor and the introduction of new products. Bids for these services close imminently.
- SH highlighted the significance of the mitigation strategy to ensure the presence of a contingency plan. While the ranking of mitigations is useful, he noted that, in the event of a stress situation, the board would be consulted before any mitigations are implemented, as the appropriate course of action may vary depending on the specific stress event.
- SH also mentioned that interest had been received from treasury advisers, and once the bids close, both Mr. Walder and Mr. Wright will be involved in the discussions going forward.
- JW as Chair of the Audit & Risk Committee, indicated he had additional thoughts to discuss privately with Mr. Hepworth and Mr. Harrison in a separate meeting to be taken offline

- The Chair noted that AH had shared that other providers were confident in offering additional funding, which should be regarded as assurance of the organisation's strong financial position.

Agreed:

- The Board discussed and considered the information within the report and confirmed its satisfaction with the base plan, subject to the final revisions.
- The Board also reviewed the presented sensitivity and stress test, along with the mitigating actions modelled against these scenarios, and confirmed its contentment with the testing against the business plan.
- Both recommendations were fully approved.

7. Agenda item 9: Technology and Innovation Forward Plan

AH presented the paper, taking it as read, and opened the floor to questions.

- A query was raised regarding the consulting costs (section 3.2 of the report) and what these costs covered. AH explained that these costs were associated with specific consultancy for new product development or product implementation. There was also a concern about the report's focus on AI and external threats, with less emphasis on internal training. The question raised was how much focus would be placed on the human element versus automation. AH responded that regular training and awareness programmes are conducted, supported by a dedicated cybersecurity team. Both internal and external resources contribute to these initiatives, with external experts focusing on improving the speed of detection and response. It was acknowledged that the human element could be a point of failure, but this risk is mitigated through comprehensive training.
- A brief discussion followed regarding the types of risks encountered and the level of detail included in the report.
- It was noted that the recent Audit and Risk Committee had agreed to conduct a cybersecurity audit within the next year, which would provide additional assurance to the board regarding the adequacy of the relevant measures.
- It was further noted that specific comments on the plan had been made, which would be best addressed offline. The work done was commended, and the direction it is heading was considered strong, with an emphasis on the development of the human experience and co-designing solutions. It was also confirmed that an AI user group is being established to discuss emerging technologies.
- A question was raised about whether external business continuity events had been stress-tested and the responses received. AH responded saying he would have to investigate this before responding. It was shared that a recent stress test in another organisation revealed gaps and highlighted the importance of effective communication.
- LU noted that there are plans to bring an external consultant on board to facilitate an exercise as part of the business continuity plan.
- The Chair remarked that these discussions had not previously taken place at the Board level but acknowledged the potential impact such events could have on the Board.
- Regarding data, the Chair requested a formal report in the autumn to provide the Board with a sense of ownership over these issues, including AI and emerging technologies.
- NHC offered to review the report in more detail and provide further comments.

- SH advised that consultations would be held with Board Members across the governance groups to gather opinions and work to ensure a comprehensive approach. SH and AH will assess the timescales required and reach out to progress this.

Agreed:

- Board acknowledged the report and look forward to receiving future updates

Action: Mr Hepworth and Mr Harrison to reach out to Board Members to progress the discussion.

8. Agenda item 10: Performance Report

AH presented the report, focusing on direct operational performance. Future dashboards will provide more dynamic reporting once built. Members were reminded that the figures presented were a mock-up and not finalised data.

- A query was raised about whether the KPIs were linked to the business plan. AH clarified that the numbers were a mock-up, not final figures.
- Feedback was given suggesting the use of icons for better readability, especially for board members using iPads. It was also noted that trends are difficult to see across charts. Members asked for an agreed trend icon to be added to make this clearer.
- The layout was agreed to be good, but it was suggested that the colours be improved for better clarity.
- A question was raised about whether the metrics and KPIs were finalized. AH noted that the numbers were a proposal from ELT and were still open for discussion. There was also a request for more detailed complaint data, including how many complaints were being dealt with and their timescales.
- A suggestion was made to include commentary in addition to the report.
- It was observed that the trend's timescale wasn't clear. AH confirmed that the trend was set against the months shown.
- A question was raised about including organisational health data (e.g., staff sickness). SH confirmed that currently this is part of the board's wellbeing report, but he would prefer to see all KPI's in one report
- SH mentioned that adding commentary could become complex. The ELT will work on aligning commentary with the board reports and dashboards.
- It was suggested to include complaints and ASB cases. AH confirmed that full TSM data and complaints data would be included.

Agreed:

- Board members approved the proposed board metrics subject to the suggestions made during the discussion. ELT will progress the ideas raised and build this into the reporting.

9. Agenda item 11: Customer Services Update (Deep Dive- ASB and Hate Crime)

KH provided an update on Customer Services, highlighting that a Complaints Performance and Service Improvement report will come to board in May, including comprehensive learning from complaints.

- RC asked if the ASB meetings include the police. KC confirmed that there are strong links with the police for partnership working, though there's always room for improvement in community safety. Ongo is well-connected to the partnership.
- RC mentioned a conference on ASB, where the creation of an ASB toolkit came out of the last conference. KH assured that Ongo has its own ASB toolkit used to train staff, slightly different from the main toolkit.
- JW (Chair of Audit & Risk Committee) noted that ASB will be covered in the internal audit programme for next year.
- MS (Board member with responsibility for complaints) expressed thanks to KH and Becky Johns for their recent meeting regarding complaints, provided highlights and assurance to board members that the work on complaints is thorough, in particular to how this translates across the organisation.
- KM noted he found the report clear and thorough and queried if additional resources could be allocated during the summer months to address the spike in complaints and the dip in customer satisfaction shown in the graphs.
 - KH responded that prioritisation is considered by the Neighbourhoods teams and proactively planned with partners, they do utilise the data available in planning however we don't employ additional staff in summer months.
- KM emphasised that Ongo should not only be a landlord but also ensure tenants feel safe. He noted that some tenants may be scared to report due to fear of repercussions. He suggested more emphasis on protecting vulnerable tenants who report issues.
 - KM agreed that more work could be done to understand these barriers, and the proposed patch-based delivery model will help in this area.
- PW noted that it's important to demonstrate partnership working from a complaints perspective, as the inspection will seek evidence of this.
- NHC emphasised the technology aspect and the importance of integrating it into the CRM, highlighting that technology could help identify trends and that digital and social exclusion should be considered.
- TO asked if there were any trends in satisfaction regarding repairs and maintenance, specifically comparing Ongo's own contractors compared to sub-contracted repairs.
 - KH noted that the new report starting in May will include more detail on this.
 - SE added that sub-contractors have historically faced challenges when dealing with customers, compared to Ongo's internal teams often because jobs are issued to contractors after the internal team has failed to complete the work.

Agreed:

- Members considered the report and discussed some areas for improvement. Future reporting from May onwards will address some of the queries raised and members look forward to the new report.

10. Agenda item 12: Existing Homes Update

SE presented the report, highlighting the recent audits, all of which provided significant assurance.

- There has been a continued improvement in the number of homes meeting the Decent Homes Standard. However, stock condition survey volumes have shown only marginal movement, with SE noting that JLL will now be conducting some of the surveys and this will help drive completion rates up following their appointment

- Recent months have shown the highest levels of incoming repairs volumes; despite this, work in progress volumes have marginally reduced. This indicates improvement, and with the recent hiring of ten new operatives, the work in progress should improve further as they become fully operational, having initially been onboarded and not yet working at full capacity.
- TO asked about the source of the data. SE clarified that personalized responses are now mandatory for all negative comments and feedback.
- SH referred to the stock condition survey and asked how the data from JLL's survey will be incorporated, given that the Ongo survey has over 1,000 lines of data. SE explained that historically, data has been shared in a file or PDF format. However, as part of the procurement process for this work, a condition was included to ensure that the data is integrated into the organisation's system.
- MS inquired about the percentage of homes requiring a stock condition survey. SE stated that the ultimate goal is to achieve 100% coverage, and progress is being made toward that objective

Agreed:

- The Board acknowledged the report and the current position of the maintenance service and decency of existing homes.

11. Agenda item 13: Development Assumptions

SE presented a suite of revised development assumptions and also advised the Board of an issue that had been identified over the period of review in relation to the past assumptions being inconsistently applied. SE advised that a full review of all approvals over this period has taken place, and no previous approvals would have failed to meet the relevant hurdle rate. SE subsequently assured the Board that, when these assumptions are presented to the Developments Board in future, steps will be taken to ensure greater transparency. A formal action plan will also be implemented to ensure these assumptions are consistently applied going forward.

- GO, as Chair of Developments Board provided assurance to the Board that the Developments Board had discussed this matter prior to it being brought to the Homes Board.
- JW queried whether the other assumptions were aligned with the business plan. AH confirmed that rents are set according to the valuations for each scheme.
- JW also inquired about the staircasing assumption being used. SH noted that this would be provided after the meeting, but believed it to be 25%, subject to verification.

Agreed:

- Board approved the Development Assumptions and thanked Mr Ellard for bringing this to Board attention and the assurances provided.

ACTION: Mr Harrison to confirm the staircasing assumptions and inform board members.

12. Agenda item 14: Health, Safety and Wellbeing

LU presented the Health and Safety report, which was taken as read, and noted that the fire action is no longer outstanding.

- Members acknowledged the report's good level of detail but queried the level of tolerance towards workplace violence or aggression. LU clarified that the report first goes to People & Culture for review. KH stated that the tolerance level is now quite low, with high reporting levels resulting from significant efforts to reduce abuse.

- Members questioned whether the increase in reported incidents was due to people feeling more comfortable reporting or a higher number of incidents. It was noted that there has been a definite shift in reporting trends.
- SH highlighted that both the sector and the wider economy have seen an increase in incidents. He explained that separating reporting trends from socioeconomic factors is challenging, but emphasised that no one should tolerate abuse, aggression, or violence at work. All incidents are followed up, with the relevant Executive Director and Chief Executive addressing each case of violence individually.
- PW added that the sector is witnessing more acts and threats of violence but commended the zero-tolerance approach to these incidents.
- MS commended the report for being comprehensive and requested an overview of training completion to ensure full assurance.
- The Chair queried the RIDDOR incident, to which LU noted that Hales & Coultas have appealed, and it is not unusual that there has been no response yet.
- Overall, the report was viewed positively

Agreed:

- The Board reviewed the Health and Safety report and were satisfied with the management of Health, Safety and wellbeing arrangements set out.
- The Board made recommendation for an overview of training completion to be brought to a future meeting to ensure full assurance of compliance.
- The Board approved the Health & Safety policy provided on Convene in advance of the meeting.

13. Agenda item 15: Governance

13.1 Agenda Item 15.1: Governance & Financial Viability Standard

GW presented the report which was taken as read. GW confirmed the self-assessment indicated compliance with the RSH Standard for Governance and Financial Viability. The year end report will be taken to the Audit & Risk Committee in June.

Agreed:

- Board members considered the self-assessment and noted the final report will go to the June Audit & Risk Committee meeting.

13.2 Agenda item 15.2: Recruitment of Ongo Homes Chair

JS presented the report which was taken as read. JS sought volunteers from the Board to be involved in the Chair recruitment process. RC and MFS were noted to already have volunteered. NHC and MS volunteered to be involved if dates align.

No further questions or comments were raised.

Agreed:

- Board members approved the Chair recruitment process as outlined in the report.
- The Board agreed the media routes for advertising as outlined in the report (appendix 1)
- The Board agreed for a personality profile to be conducted for shortlisted candidates
- The Board approved the fee scope outlined in the report (appendix 1) as per the contract in place with DTP.

ACTION: Governance Team to circulate Chair recruitment dates to confirm availability of nominated members.

13.3 Agenda item 15.3: Standing Orders

GW presented the revised Standing Orders, noting a full comprehensive review had taken place in 2024 therefore this review focused on the addition of the Customer Focus Committee to the Governance Structure. It was noted that Standing Orders had been approved at the March Audit & Risk Committee.

Agreed:

- Board members approved the revised Standing Orders, noting the addition of the Customer Focus Committee and its delegations.

13.4 Agenda item 15.4: Governance Update

GW presented the update, taking the report as read, highlighting the following points:

- A date was yet to be agreed for the first Customer Focus Committee, but this was expected to take place in May
- Three independent tenant members have been recruited, and induction will take place in April
- Board members were asked to approve the recruitment of a Co-opted Housing Professional to the committee
- An update was given with regards appraisals, now all 360 feedback has been collated, each Board and Committee Chair will be provided with a summary for their respective members.
- The Governance Team will arrange appraisal meetings between each Chair and member.
- All Board members will be required to complete a skills matrix prior to the appraisal meeting.
- Board members were reminded of the requirement for a proper appraisal as per the NHF Code of Governance.
- Finally, Board members were asked to note the Governance Team would be issuing EDI forms and Declaration of Interest forms, members should return these before the deadline which was set for 25th April.

Agreed:

- Board noted the updates concerning Customer Focus Committee and approved the recruitment of the Co-opted Housing Professional to the committee.
- Board members noted the updates concerning appraisals and upcoming information requests.

14 Agenda item 16: 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 items circulated in advance via Convene were all approved.

Agreed: Board approved:

- Health & Safety
- Modern Slavery
- Service Standards
- Board Profiles x 9

- Knowledge, Information and Data Management Plan

15 Agenda item 17: Other Board and Committee Updates

The Chair noted the updates from Board and Committee members. No comments were made.

16 Agenda item 18: Assurance Update from Board and Committee Chairs

JW provided a verbal update on the recent ARC committee which took place 18th March 2025. JW confirmed the audits which were agreed included Cyber, Damp & Mould, Rents plus others with flexibility to add a further audit for emerging areas of activity.

No further comments were made respective of the other meetings.

Agreed: Board noted the verbal assurance updates

17 Agenda item 19: Time for Reflection

The Chair queried whether any of the members had any reflections from the meeting. SH noted that the contributions were valued from all around the table.

18 Agenda item 20: Date and Time of Next Meeting

Board meeting – Wednesday 14 May 2.05pm (arrivals and light lunch from 1.30pm)

With no further business the meeting closed at the meeting closed at 16:04

Signed by Chair: Bob Walder Date: 14 May 2025

As a true and correct record of the Ongo Homes Board meeting held on 14th May 2025