

JRHT BOARD

Tuesday 7 June 2022

Homestead, York

Present	Helen Evans (Chair) Angela Lockwood Alistair Brown Deborah Cadman Dan Gray Will Haire David Lunts Dan Ryan	HE AL AB DC DG WH DL DR
In attendance	Paul Kissack Chris Simpson Tracey Preece Claire Townson Stuart Coe Frank Soodeen Angela Dearing Anne-Marie Roberts David Boyes-Watson Christine Frame Fiona Fischbach	PK CS TP CTw SC FS AD AMR DBW CF FF
Minutes	Stephen Lynch	SL
Apologies	Gillian Russell Paul Jenkins	GR PJ

Agenda Item Comments	Presenter	Action
AL thanked HE on behalf of the Board for her service as Board member and Chair, noting that this was HE's final meeting. AL and HE joined Board together, and AL reflected on the progress during their terms of office. AL praised HE's chairing of the Board and noted the major achievements of her tenure, including receiving a G1 rating		

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<p>from the regulator, ensuring Care Services continued to deliver to residents through the difficult period of the pandemic, and providing leadership through a period of change. Reporting and Board's handle on business has improved greatly. HE has shown incredible commitment and dedication during her time at JRHT.</p>		
<p>1 Minutes of the Q1 2022 meeting</p>	<p>HE</p>	
<p>Outcome: The minutes from the meeting held on 31 March 2022 were approved for signature by the Chair.</p>		
<p>2 Matters arising</p>	<p>HE</p>	
<p>Outcome: There were no matters arising.</p>		
<p>3 Actions from the previous meetings</p>	<p>CF</p>	
<p>PK said that the Hartrigg Oaks evaluation project will start with internal analysis, before details of a possible JRF research project are explored.</p>		
<p>Outcome: The actions were noted.</p>		
<p>4 Register of interests</p>	<p>HE</p>	
<p>Outcome: The register was noted.</p>		
<p>5 CEO report</p>	<p>PK</p>	
<p>The successful closure of Lamel Beeches was noted.</p> <p>There was a discussion on the Central Services review project. PK will share further information with the Board and Resources Committee. Work undertaken last year revealed a number of challenges around the scale and allocation of costs, and there is a need to ensure central services are more responsive to the different needs of JRHT and JRF Teams. The Executive have agreed to work towards a different model, with more embedded and tailored teams in JRHT, while looking to reduce cost and allocate costs more transparently. Initial changes are expected in the autumn.</p> <p>There was a request for a description of how central services work now, and what the cost implications of the proposed changes could be to JRHT.</p> <p>There was a discussion on the way the Executive team operates across the different parts of the group – JRF, JRHT and group-wide issues.</p> <p>The Transformation Programme Manager has been recruited to work on the finance and housing systems replacement project.</p> <p>There was a discussion regarding a union recognition request from Unite the Union and JRF Teams and Central Services staff. PK said that Resources Committee has asked the Executive to think creatively and</p>		<p>PK</p>

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<p>ambitiously about how to shape future staff engagement and representation in JRHT in parallel to union recognition in JRF.</p> <p>There was a request for a focus meeting on rents once the Government's position on permitted increases in 2023 becomes clearer.</p> <p>DC offered to share work on race that Birmingham City Council are undertaking.</p>		<p>PK</p>
<p>Outcome: The report was noted.</p>		
<p>6 JRHT Executive Director report</p>	<p>CS</p>	
<p>A service charge overcharge case of one resident in a shared ownership property has been identified. The finding has been reported to the regulator.</p> <p>There was a discussion on reviewing chargeable services. It was agreed that options for the acceleration of the chargeable services review would be explored.</p> <p>DG had attended the recent Residents Assembly and updated Board on the discussions held there, including around adaptability of properties, cost-of-living, energy efficiency and benefits advice.</p> <p>There will be a discussion at the next Board meeting about the possibility of inviting a resident member of the Board, as part of the governance effectiveness review.</p> <p>AD will look into the feasibility of delivering gas inspections for properties that are not thought to have gas provision.</p> <p>A working group of officers has been convened to look at work towards meeting zero carbon requirements. An assessment of Energy Performance Certificates across the housing stock will be brought to the next meeting.</p> <p>Discussions will be sought with Friends of New Earswick Swimming Pool on transferring responsibility for approving fees to them.</p>		<p>CS</p> <p>CS</p> <p>AD</p> <p>CS</p>
<p>Outcome: The report was noted.</p> <p>Board approved:</p> <ul style="list-style-type: none"> • The installation of 10-year battery carbon monoxide detectors in all remaining 346 homes with gas; • The revised Gas Safety Policy and Controlled Access Procedure; • New Earswick Swimming Pool hire fees proposal was agreed 		
<p>7 Service summaries and scorecards</p>	<p>CS</p>	
<p>7.1 Performance dashboard</p> <p>There were discussions on:</p>		

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<ul style="list-style-type: none"> • Occupancy – an improvement is expected with Lamel Beeches residents moving to other JRHT homes. The focus will now be on improving the position at New Lodge. • Arrears – there were technical issues affecting the April figures. The May figures will indicate whether the technical issues account for all the jump in cases or whether there are deep rooted issues. • DLO recruitment • Cost inflation for developments • Planning permission for new developments – local plan issues are slowing down the process. • Care Quality Commission (CQC) ratings – all homes are now rated as ‘good’. • Health and safety – there is good line of sight, with the Executive looking at the position each month including detailed recent focus on issues such as fire safety at Lamel Beeches, fire door replacement at Plaxton Court and boiler room temperature at Plaxton Court. 		
<p>7.2 Care Services</p> <p>AMR updated on Care Services.</p> <p>The closure of Lamel Beeches has been completed, with all but one resident remaining with JRHT.</p> <p>PwC are to undertake an audit of medicines management.</p> <p>There was a discussion on negotiations around hourly rates received for care in Hartlepool from the local authority.</p> <p>An independent member of Care Sub Committee is being recruited and a specialist paid adviser will be contracted. Board members will inform CF if they are interested in joining the Care Sub Committee.</p>		CF
<p>7.3 Development & Asset Management</p> <p>DBW updated on Development and Asset Management.</p> <p>Lamel Beeches building will be emptied and an options appraisal will be completed which may include the sale of the building.</p> <p>The delay in the planning approval process for Willow Bank was discussed. Work is underway to get to an acceptable solution to the technical point on drainage.</p> <p>Stock is being assessed for work on decarbonisation. A report on this will be brought to the Q3 meeting. Application to the decarbonisation fund is being considered.</p> <p>An independent review of district heating at Derwenthorpe is underway.</p>		DBW

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Development Sub Committee will continue to look at the York Central project. A decision will be needed on JRHT's position as plans are firmed up.		
<p>7.4 Housing & Community Services</p> <p>AD updated on Housing & Community Services.</p> <p>A decarbonisation project in conjunction with City of York Council to install six heat pumps on site has been agreed.</p> <p>There has been an improvement in the voids position.</p>		
<p>7.5 Health & Safety</p> <p>CS updated on Health & Safety including satisfactory performance on Fire safety, Legionella measures, Electrical testing, Gas safety, Asbestos management and lift maintenance.</p> <p>(See performance dashboard above and complaints deep dive below)</p>		
<p>7.6 JRHT Risk Register</p> <p>CS updated on the JRHT Risk Register.</p> <p>Recruitment and care voids remain a focus.</p> <p>Longer term strategic risks around climate change and decarbonisation requirements were noted.</p> <p>Inflation is a risk on several levels. A focused discussion on this has been held by the Executive and by Audit & Risk Committee. It was also discussed in detail at the Board session on the 30-year financial plan and has been stress tested.</p> <p>The risk assurance report has enabled focused discussion on risk.</p>		
<p>7.7 JRHT Complaints Overview</p> <p>CS updated on complaints.</p> <p>PK receives all complaints on a weekly basis. Lessons are being learned from complaints on a systematic level. A recent complaint resulted in a changed approach to shared ownership sales, for example.</p> <p>A deeper dive on smoke alarms and damp/mould complaints will be undertaken.</p>		CS
Outcome: The service summary reports/ scorecards were noted .		
8 JRHT Care services - update & priorities	CS	
<p>There was a discussion on the report, which takes stock on exited care services and next steps.</p> <p>Progress has been made but financial challenges remain and Board will return to these at the Autumn Board away day.</p>		

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Outcome: The report was noted .		
9 JRHT 2021 Annual Report and Accounts	TP	
<p>The Annual Report and Accounts came with a recommendation for approval from Audit & Risk Committee.</p> <p>Additional work on pensions valuation is being undertaken by the auditor. Any further approval required as a result of that work will be brought back to the Board.</p>		
Outcome: The 2021 JRHT Trustee Annual Report was approved .		
10 Approve annual returns to FCA	TP	
Outcome: It was approved that the information in the Annual Report and Accounts be used to populate the annual Community Benefit Society return to the Financial Conduct Authority.		
11 JRHT 30-year Financial Plan	SC	
<p>The Board session on the 30-year Financial Plan and stress test in May included a discussion on inflation and rents. Since that meeting, the team have stress tested a 4% rent increase and a rent cut. Both show a more severe position than the CPI -1% stress tested for the May meeting. The implications of any gap in costs (mainly salaries) and rents/care fees are understood. The relationship to care fees is particularly worth noting given that most staff costs are from Care Services.</p> <p>There was a discussion on feeding into National Housing Federation messaging to Government on rents, from the perspective of being a smaller provider.</p> <p>Golden rules were noted. Some are hard rules, such as around bank covenants, which makes discussions on mitigations of them slightly different in nature.</p>		
<p>Outcome:</p> <p>Board approved:</p> <ul style="list-style-type: none"> • The 30-year Financial Plan and underlying assumptions. • (Re-approved) the golden rules: <ul style="list-style-type: none"> ○ Avoid deficits (wherever practical); ○ Comfortably meet banking covenants at all times (5% points /headroom for gearing and 10% points for interest cover); ○ Ensure that JRHT has sufficient liquidity for at least the following 18 months. 		

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<ul style="list-style-type: none"> The stress testing output and range of mitigating actions that could be taken in the event of different scenarios (including combinations of stresses occurring concurrently). Submission of the Financial Plan to the Regulator of Social Housing prior to 30 June 2022 		
12 Company Secretary	CF	
Outcome: Board approved TP as Company Secretary for JRHT.		
13 Approval of Replacement Materials Supply Contract	AD	
<p>The terms of the contract were discussed.</p> <p>AD will check on who approves the terms of conditions with the contractor, given the contract is arranged via the Efficiency North procurement framework.</p> <p>AD will also check the fee for Efficiency North and the terms of the inflation clause. The inflation figure was stress tested in the procurement process.</p> <p>The contract is for four years with an annual review.</p>		<p>AD</p> <p>AD</p>
Outcome: Board approved the appointment of Travis Perkins via the Efficiency North procurement framework for a period of 4 years (£1.6m existing funding over 4 years).		
14 Finance report	SC	
<p>SC presented the report, noting three big topics of focus: - New Lodge occupancy, Hartrigg Oaks property sales and interest rates & inflation.</p> <p>The report also included analysis of shared ownership rate inflation against rent inflation, as requested at the previous meeting. There is no evidence on increased staircasing from shared ownership residents nor have complaints been received. A better comparison might be private sector rents or mortgage rates.</p> <p>There was a discussion on the inflation variance trigger in the key financial metrics. JRF grant for the Lamel Beeches closure are not included in the regulator's calculation method for this.</p> <p>The Lamel Beeches closure project looks likely to come in under budget.</p> <p>There was a discussion on the loan facility available to JRHT from JRF.</p> <p>Sales at Hartrigg Oaks were discussed. AMR said there is movement likely on this.</p> <p>There was a question on whether the regulatory margin metric can be increased without JRF support. SC will come back on this off-line.</p>		<p>SC</p>
Outcome: The report was noted .		

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15 Board member terms beyond 6 years - recommendation to JRF Trustees on final position	CF	
<p>Outcome: It was confirmed that all JRHT Board member terms of office must remain within the standard six-year term recommend in the NHF Code of Governance 2020.</p> <p>It was agreed that an exception should be made to the 6-year rule by extending until the end of 2022 Will Haire's term of office, to provide continuity during recruitment of a new JRHT Chair.</p>		
16 Report from Audit & Risk Committee (ARC) on matters for JRHT	CTw	
<p>ARC undertook a deep dive review of the impact inflation. This looked at the impact of high inflation on residents, staff, JRHT operations and JRF research.</p> <p>There was a discussion on crisis grants that are available to residents.</p>		
Outcome: The report was noted .		
17 Off-cycle decisions	CF	
<p>Outcome: Board ratified the off-cycle approval that JRHT Board request that JRF Trustees be asked to amend the limit on the intra-group (JRF to JRHT) revolving credit facility from £15m to £25m.</p>		
18 Governance committee updates	CF	
<p>18.1 Q1 2022 JRF Trustees</p> <p>The minutes from the meeting were noted.</p>		
<p>18.2 Q2 2022 Audit & Risk Committee</p> <p>The minutes from the meeting were noted.</p>		
<p>18.3 Q2 2022 Resources Committee</p> <p>The minutes from the meeting were noted.</p>		
<p>18.4 Q1 2022 Care Sub Committee</p> <p>The minutes from the meeting were noted.</p>		
<p>17.6 Q1 2022 Development Sub Committee</p> <p>The minutes from the off-cycle Convene meeting were noted.</p>		
19 Any other business	HE	
<p>CS highlighted recent events at JRHT homes to celebrate the Queen's Jubilee. Board sent thanks to all staff volunteers for organising the events.</p>		

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20 Date of next meeting	HE	
Dates of next meetings: - JRHT Board extra meeting 1 Sept 2022 at 11.00 via Zoom - JRHT Board quarterly meeting 4 October 2022 at 11.30 in London, venue tbc		
Signed (Chair)		
Date		