



Board of Trustees Meeting Minutes

Meeting	Board of Trustees Meeting
Date	Monday 27 September 2021, 13:30 (Virtual)
Attendees	<p>Trustees:</p> <p>Pete Stones (Chair)</p> <p>Kate Calvert</p> <p>Paul Common</p> <p>Anna Folwell</p> <p>Andy Gladwin</p> <p>Cllr Haroldo Herrera-Richmond (<i>part</i>)</p> <p>John Holliday</p> <p>Cllr Gwen Lunn</p> <p>Christine Mackay</p> <p>Cheryl Newby</p> <p>Officers:</p> <p>Claire Warren, Chief Executive</p> <p>Lish Harris, Business Services Director</p> <p>Martin Sherman, Property Services Director</p> <p>Sam Kind, Financial Controller</p> <p>Racheal Hault, Executive Support and Communications Coordinator (<i>minute taker</i>)</p> <p>Other:</p> <p>Paul Wood, PSW Consultancy Services Ltd (PFH Advisor) (<i>part</i>)</p> <p>Gerry Morrison, Rollits (PFH Advisor) (<i>part</i>)</p> <p>Angela Connolly, RSH (observer)</p> <p>Daniel Buglass, RSH (observer)</p> <p>Sara Haworth, RSH (observer)</p>
982	<p>1. Apologies for absence</p> <p>Andy Gawthorpe, Trustee</p> <p>Paula Kelly, Resident Services Director</p>

983 Item Title	2. Declarations of Interest
Summary	<p>AG declared an interest in relation to agenda item 14, as an employee of DTP Consultants.</p> <p>All officers present declared an interest with regards to the verbal employee pensions update provided at agenda item 8.2.</p>

ITEMS PRESENTED AT THE MEETING

HH-R joined the meeting

984 Item Title	3. Draft resolutions for PFH’s trustees to approve the incorporation of PFH’s trustees as a company limited by guarantee
Summary	<p>GM presented this item.</p> <p>The recommendation within the report was: To give formal approval to incorporate the trustees as a company limited by guarantee which would be appointed corporate trustee of PFH by the Charity Commission Scheme.</p> <p>A summary of the discussion was: PC noted many housing associations are registered as either co-operative or community benefit organisations. GM clarified that as PFH holds permanent endowment, company limited by guarantee provides the most appropriate option and the noted alternatives provide no additional benefits for the association.</p> <p>It was clarified that initial lender responses indicate the estimated 8–12 weeks completion timescale is achievable.</p> <p>KC queried the impact on employees, and it was noted that contracts of employment will require update to recognise the Corporate Trustee Company as the employer. GM is also liaising with her Rollits pension specialist colleague who will further discuss any implications on the current pensions review process.</p> <p>AG requested clarification in relation to timing and the ownership of PFH’s assets and liabilities responsibility between the Corporate Trustee Company and the Charity. It was advised that the registered provider of housing remains the Charity and holds all responsibility for the organisation’s assets and liabilities. Trustees would become the appointed Directors of the Corporate Trustee Company and hold the assets on trust for the Charity. Lenders are required to update loan liabilities from individual Trustee responsibility to the Corporate Trustee Company. It was advised that dormant accounts would be required to be posted for the Corporate Trustee Company.</p> <p>HH-R questioned if the Almshouse Association membership provided any issues to completing the incorporation process. GM advised other Almshouse Associations have also transferred to Corporate Trustee Companies without any concerns, the Charity Scheme will be revised to appoint the Corporate Trustee Company which will be reviewed for approval by the Charity Commission.</p> <p>In the light of this report, the Board Resolved:</p> <ol style="list-style-type: none"> 1. To give formal approval for the signing of the Trustee resolution by the Chair, to incorporate the trustees as a company limited by guarantee which would be appointed corporate trustee of PFH by the Charity Commission Scheme. 2. To approve the management of the finalising of the process by CW and LH. <p><i>The signed Trustee resolution is appended to these minutes.</i></p>
<i>GM left the meeting.</i>	
985 Item Title	4. IT management system
Summary	LH & PW presented this item.

The recommendations within the report were:

- To consider the 3 options presented and approve the recommended option 1: P&C
- To approve the project management and staff backfill.

A summary of the discussion was:

Assurance was provided that the recommended system would meet all required GDPR requirements for resident information and an impact assessment and service provider data agreement would be completed in advance of completion of the contract agreement.

It was confirmed that the system would provide much improved collation, search and reporting at both individual and property level. Resident communication methods and a survey module would also be in place for improved customer relationship management.

KC requested clarification of the due diligence process given the significant spend requirements. It was confirmed that informal references from other users had been acquired and further formal due diligence would be undertaken ahead of contract agreement.

HH-R noted that, based on his experience the internet was predominantly accessed via smartphones. The limitation of document review within mobile applications was noted but it was confirmed that services such as repair reporting could be provided.

LH advised that initial resident engagement had been undertaken to ascertain resident portal expectations and further engagement is planned once a system is approved.

An overview of the selection and review process for the considered systems was provided following request by PC and it was noted that the call off GCloud procurement framework would be used to complete the appointment of the approved supplier.

AF received assurance that cyber security arrangements such as multi factor authentication would be implemented.

AG requested clarification of the compromises noted in relation to not using the system highlighted in option 2. The increased length of implementation, the mainstream requirements of PFH and the improvement on current system provision which can be provided by the system were discussed.

It was confirmed that appropriate project governance, leadership and project resourcing provided assurance that the implementation of the new system would not impact the day-to-day quality of resident service delivery during transition.

In the light of this report, the Board Resolved:

1. To approve the implementation of option 1
2. To approve the project management and staff backfill

	3. That regular updates on the system implementation process will be provided to the Board within the Business Services report.
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PW left the meeting.

986 Item Title	5. Health and safety annual update
Summary	<p>MS presented this item.</p> <p>The recommendations within the report were:</p> <ul style="list-style-type: none"> ➤ To note and comment on the report. <p>A summary of the discussion was: Following query from CM prior to the meeting; it was clarified that minor repair requirements of 271 fire doors was due to legislation changes and general usage deterioration.</p> <p>A discussion was held, and it was noted that fire risk assessment work could continue in line with current guidance and the acceptance of possible additional costs if further work is identified through the revised legislation. It was confirmed that FRA works are undertaken by an external specialist consultant who is suitably qualified.</p> <p>PS queried the process to gain access to a property when performing required H&S certifications. It was confirmed that if access is not forthcoming, legal powers are implemented to fulfil our statutory responsibilities.</p> <p>In the light of this report, the Board Resolved: That the fire risk assessments would be completed in advance of imminent legislation publication; with further works undertaken if required.</p>

987 Item Title	6. Resignation of Trustee Cheryl Newby and appointment of Chair designate
Summary	<p>CW introduced this item.</p> <p>The recommendations within the report were:</p> <ul style="list-style-type: none"> ➤ Note the resignation of Cheryl Newby from October 2021. ➤ Note the intention of Pete Stones to step down as Chair of the Board at the July 2022 AGM. ➤ Note the expression of interest received from Kate Calvert to be Chair designate and discuss options for appointing to the Chair's position. ➤ Agree to defer the independent trustee recruitment until the skills matrix and diversity statement work is complete and agreed by the Governance Working Group. <p>A summary of the discussion was: CW noted an amendment to the report to recognise that CN has served 6 years in total as a Trustee.</p> <p>PS thanked CN on behalf of the Board for her committed service to the organisation.</p> <p>PS noted the expected changes to the Board membership to meet the proposed amendment to 6-year terms for Trustees and commented that internal knowledge</p>

	<p>of the association may be of benefit to the future Chair.</p> <p>PC supported the pursuit of the internal candidate</p> <p>AG noted the potential impact of achieving meeting quorums of deferring the independent trustee recruitment.</p> <p>In the light of this report, the Board Resolved:</p> <ol style="list-style-type: none"> 1. To agree to defer the independent trustee recruitment until the skills matrix and diversity statement work is complete and agreed by the Governance Working Group. 2. To appoint KC as Chair Designate enabling a clear succession mentoring programme in anticipation of appointment to the Chair position at the July 2022 AGM.
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988 Item Title	7. Stock Condition and Asset Management Board Assurance Report - Provided by Michael Dyson Associates
Summary	<p>MS introduced this item.</p> <p>The recommendations within the report were:</p> <ul style="list-style-type: none"> ➤ To note the Michael Dyson Associates report. ➤ To approve the associated action plan using recommendations outlined in the MDA report. <p>A summary of the discussion was:</p> <p>Following enquiry prior to the meeting by PS, it was confirmed that the cost per unit noted within the business plan has been verified by MDA associates as representative of the type and condition of the stock owned by PFH and is consistent with the 2019 report produced by MDA and their benchmark information. This includes all the elements of repairs and maintenance, voids, adaptations, and future major repairs, together with an allowance for professional fees to manage the works and an overall contingency of 3%.</p> <p>The major repairs element equates to £ per property which is towards the lower MDA benchmark of £ of Housing Associations requirements but reflects the good condition and age profile of the stock. The long-term financial model includes the £ per property. In addition, PFH have stress-tested and will continue to test inflationary pressures on all maintenance costs including 10% increases across the board.</p> <p>In the light of this report, the Board Resolved: To approve the MDA report and associated action plan.</p>

ITEMS CIRCULATED PRIOR TO THE MEETING FOR APPROVAL

989 Item Title	8. Minutes of meeting 19 July 2021
Summary	<p><u>8.1 Matters arising:</u> No comments were provided.</p> <p><u>8.2 Board action tracker</u> AG provided an update in relation to the employee pensions review.</p>

	<p>In the light of this report, the Board Resolved:</p> <ol style="list-style-type: none"> 1. To accept the minutes of the meeting held on the 19 July 2021 as a true and accurate record. 2. To approve the 8 completed items within the board action tracker. 3. That a special meeting of the Board be arranged for October / November to agree the next steps for the pension review.
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990 Item Title	9. Minutes of the Governance and Remuneration Committee 8 September 2021
Summary	The Board approved the Committee minutes.

991 Item Title	9.1 Governance Summary Decision Report
Summary	<p>CW introduced this item.</p> <p>The Board was asked to approve the recommendations of the Governance Working Group and the Governance and Remuneration Committee to:</p> <ul style="list-style-type: none"> ➤ Adopt the NHF 2020 Code of Governance, including the adoption of 6-year maximum terms of office, with effect from the financial year 2022/23 and agreeing the proposed transitional plan. ➤ Amend the standing orders and manual of governance in respect of trustee attendance/absence and the terms under which suspension of trusteeship could be granted for a defined period. ➤ Agree the updates to the Standing Orders and Manual of Governance subject to agreement of decisions elsewhere within this report. ➤ Approve the revised Terms of Reference for the Governance and Remuneration Committee, noting the increased level of delegation related to staffing decisions and the related amendment required to the Financial Regulation's scheme of delegation. ➤ Approve the Committee Effectiveness Review Process <p>A summary of the discussion was: PS thanked the members of the GWG for their support and involvement.</p> <p>In the light of this report, the Board Resolved:</p> <ol style="list-style-type: none"> 1. To adopt the NHF 2020 Code of Governance, including the adoption of 6-year maximum terms of office, with effect from the financial year 2022/23 and agreeing the proposed transitional plan. 2. To amend the standing orders and manual of governance in respect of trustee attendance/absence and the terms under which suspension of trusteeship could be granted for a defined period. 3. To agree the updates to the Standing Orders and Manual of Governance 4. To approve the revised Terms of Reference for the Governance and Remuneration Committee, noting the increased level of delegation related to staffing decisions and the related amendment required to the Financial

	Regulation's scheme of delegation. 5. To approve the Committee Effectiveness Review Process
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992 Item Title	10. Governance working group minutes
Summary	<p><u>10.1 21 July 2021</u></p> <p><u>10.2 11 August 2021</u></p> <p><u>10.3 1 September 2021</u></p> <p>A summary of the discussion was: Prior to the meeting CM noted her endorsement via Decision Time of the option to temporarily suspend Board membership subject to a valid reason and requested the decision-making process is determined within the policy.</p> <p>In the light of this report, the Board Resolved: The Board approved the GWG minutes.</p>

993 Item Title	11. Residents committee minutes 18 August 2021
Summary	<p>PS noted his planned attendance at next week's resident engagement workshops, which consider the future of the residents committee and scrutiny panel.</p> <p>Increased resident involvement is observed following the reduction of Covid restrictions.</p> <p>In the light of this report, the Board Resolved: To approve the Committee minutes.</p>

994 Item Title	12. Chief Executive report
Summary	<p>CW introduced this item.</p> <p>The recommendation within the report was: To note and provide comments on the content of the report.</p> <p>A summary of the discussion was: PS encouraged Trustees to attend the staff event to be held in November.</p> <p>PC was encouraged by number of applicants for senior positions and CW updated the Board on the progress of the recruitment process. It was confirmed that two internal applications had been received for the Heads of Service positions.</p> <p>CM noted the intention to complete the "More than a landlord" research by the end of the year and resident engagement will be greatly encouraged.</p> <p>Thanks was extended to AF and GL for their support with the Health and Wellbeing external partnership working.</p>

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995 Item Title	13. Business services report
Summary	<p>LH introduced this item.</p> <p>The recommendations within the report were:</p> <ul style="list-style-type: none"> ➤ Note and comment on: <ul style="list-style-type: none"> ○ the management accounts ○ treasury report ○ progress with regards new funding arrangement with ARA Venn ➤ Approve the Nationwide resolution endorsing the Nationwide Amendment Agreement. <p>A summary of the discussion was: Following enquiry by PS prior to the meeting, the areas of focus in relation to improving voids were highlighted as:</p> <ol style="list-style-type: none"> 1. Use of insight data to strategically gauge where and why some property is in lower demand and take longer to let. 2. Review individual investment and improvement requirements of low demand properties. 3. Increase resources within the Area Co-ordinator and waiting list management teams. <p>The business plan assumed void levels for this year would be similar to last (i.e. 1.55% of income- against the actual outturn of 1.7%); future levels have been forecasted to slightly reduce to 1.5% but not to recover to the pre-pandemic levels of 0.6%. The assumptions will be revisited within the Corporate Plan reforecasting.</p> <p>AF enquired via Decision Time whether similar increased voids have been experienced by peer organisations and whether there are any learnings to gain from them.</p> <p>Published reports indicate that between March 2020 and March 2021, the last year in lettings has been characterised by the significant disruption caused during the first lockdown, when house moves were restricted across the UK and virtually all lettings activity ceased. In the period since the first lockdown eased, some parts of the sector had been struggling to catch up. Twelve months on, vacancy rates remain high despite increases in sign-ups. Void loss was estimated at 19% higher across the sector in March 2021 than it was at the same point in 2020.</p> <p>PFH's loss is higher and is exacerbated by the fact that many vacancies arise following death and that a large proportion of vacancies are within schemes with communal facilities and higher charges. Like other providers the backlog of applications is being addressed and the additional resource in the team has accelerated the response.</p> <p>CW advised Trustees that we need to test the impact of the additional resourcing to assess if the trend is reversible. We will continue to report progress and our findings will support future budget setting decisions.</p> <p>A discussion in relation to the ARA Venn funding arrangement was held and it was confirmed the loan could be reduced.</p> <p>AG noted that following the repayment of the RBS loan and the revised position of</p>

the association, it would be beneficial to re-consider all loan options available to the association prior to finalising the ARA Venn agreement.

13.1 Budget Review Report - September 2021

SK introduced this item.

The recommendations within the report were:

- Note and comment on the budget reforecasts offered below
- Approve the adjustments to the 2021-22 budget

A summary of the discussion was:

PS posed a question prior to the meeting to determine whether the increase in maintenance costs related to an underspend due to unreported repairs during lockdowns or demonstrated a genuine increase in demand.

It was advised that the previous year's maintenance revenue costs were underspent by £ - mainly maintenance agreements, painting and major repairs. Responsive repairs were 4% over budget reflecting that responsive and emergency repair service levels were maintained throughout the year. There was also an influx of orders in the last month of the financial year reflecting increased post vaccine confidence. The area of spend continues to be monitored closely - particularly as inflationary costs are also likely to have an impact.

A question was submitted prior to the meeting by CM to determine if the decision to maintain the training budget at lockdown levels, despite in-person training and conferences returning to pre-pandemic norms, will assure that the training needs/identified knowledge gaps of staff and trustees will be met.

It was confirmed that the actual spend on training and conferences last year was£. When budgeting for this year a return to pre-pandemic spend levels was expected. The recommended adjustment reduces the budget for this year to £ (£ spent so far). Part of the reduction follows some IT training being delivered by our own IT team rather than outsourcing. It is believed the adjusted budget will cover the rest of this years' training and development requirements for trustees and staff.

It was confirmed that there have been no significant impacts on planned maintenance and repairs costs experienced by increased inflation costs. However, the planned maintenance contract is to be renewed in 2022 so costs could then be impacted.

In the light of these report, the Board Resolved:

1. Approve the Nationwide resolution endorsing the Nationwide Amendment Agreement.
2. That LH would explore alternative loan financing options for the association.
3. To approve the adjustments to the 2021-22 budget.
4. That future reports will include the original budget details for comparison purposes for the Board.

996	14. Performance report
Item Title	SK introduced this item.
Summary	The recommendation within the report was:

	<p>➤ Note and comment on performance reported.</p> <p>A summary of the discussion was: AG queried EPC certification status. MS confirmed that certification is in place for all stock with 224 cloned properties to be revisited and costings redetermined.</p> <p>The reduction in complaints handling performance was noted and it was advised these related to the higher volume created through grounds maintenance contract failings which are being addressed.</p> <p>PC suggested benchmarking of other older person provider's voids performance would be beneficial.</p> <p>GL queried the approach to supporting residents experiencing fuel poverty and CW clarified that the appointment of PFH's Financial Inclusion Officer supports the identification of areas of concern. Referrals are also provided to the Green Doctor energy support organisation.</p> <p>HH-R noted the potential provision of suitable support by his employer Citizen Advice Bureau.</p> <p>Thanks were expressed to the staff team for the reported performance.</p> <p>In the light of these report, the Board Resolved:</p> <ol style="list-style-type: none"> 1. That categorisation of complaint reason would be applied to future reports. 2. That further benchmarking of voids performance would be undertaken amongst older people's housing providers.
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997 Item Title	15. Value for money report
Summary	<p>SK introduced this item.</p> <p>The recommendation within the report was: Consider and comment on the VFM information and data provided.</p> <p>A summary of the discussion was: No further comments were provided.</p>

998 Item Title	16. Development report
Summary	<p>MS introduced this item.</p> <p>The recommendations within the report were:</p> <ul style="list-style-type: none"> ➤ Approve the increase in costs for 8 bungalows at Ryde Avenue up to a maximum scheme budget. ➤ Note the ongoing progress at the Hesse High Road site. ➤ Note progress at the Eleanor Scott Close site nearing completion. ➤ Note the position on the James Reckitt Avenue site. ➤ Discuss the future impacts of increases in development scheme costs. <p>A summary of the discussion was:</p>

	<p><i>KC left during these discussions.</i></p> <p>CM queried via Decision Time, the expected timeframe for the Homes England audit outcome. It was advised that Homes England report back once the Lead Auditor has drafted a judgement summary on the specific audit and it has been moderated to ensure all gradings across the audit programme are consistent. This process can take weeks after the audit has taken place. The audit findings are then sent to The Development Director and the CEO. 5 days later the Chair is sent the judgement. The grading of the audit is identified as green, amber, red with any actions identified or noncompliance.</p> <p>The Board discussed the increased costs predicted for the Ryde Avenue site and decided to delay approval until further assurances could be provided.</p> <p>MS advised that demolition of the existing building is required to prevent further vandalism and site safety.</p> <p>HH-R requested future discussions with regards to the proposed heating system for Ryde Avenue.</p> <p>It was agreed that a future strategic discussion was required to consider future development viability.</p> <p>In the light of these report, the Board Resolved:</p> <ol style="list-style-type: none"> 1. That the advised additional costs to complete the Ryde Avenue site be reported to the planned special meeting of the Board, prior to consideration of the proposed approval. 2. That MS would consult with Homes England and Hull City Council to determine the availability of additional funds to support the Ryde Avenue site. 3. To approve the demolition of the existing building and securing of the site at Ryde Avenue. 4. That a future strategic Trustee Day would include discussions on future development viability.
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999 Item Title	17. Strategic risk summary report
Summary	<p>CW introduced this item.</p> <p>The recommendation within the report was: Trustees were asked to review the risk data provided in the report and supporting papers and accept the Committee recommendation for approval.</p> <p>CW noted the Trustee discussions undertaken at the Strategic risk session held prior to this meeting. Also, emerging risks were identified in relation to:</p> <ul style="list-style-type: none"> - Succession planning at both Board and Executive level - Loss of future knowledge particularly in relation to development delivery following retirement from the Executive Team <p>In the light of these report, the Board Resolved: To accept the Committee recommendation for approval.</p>

1000	18. Any Other Business

Item Title	
Summary	None.

1001 Item Title	19. Date and Time of Next Meeting
	Special Board Meeting – (Virtual), date and time to be confirmed.
	Monday 29 November 2021, 13:30 (Virtual)

Meeting Closed: 17:03

Signed as a true record:

Chair:

Date: