



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

Held at 2.05pm on Wednesday 15 May 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, John Wright, Steve Hepworth, Paula Gouldthorpe (Teams)

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

Apologies: Rachel Cook, Paul Warburton, Gerraint Oakley, Kacper Merta

Absence: None

Also Present: Lisa Whelan (Trainee) (Teams), Christian James (from 2.07pm) (Trainee) (Teams)

Observers: Andy McFadden, Dawn Johnson, Mick Warner (YD Consultants)

Time meeting opened: 2.03pm

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 26 March 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 with the exception of 9/24 which Ashley Harrison explained would be presented to Board at the next meeting.

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 spoke about the political climate in the sector and how Andy Burnham wanted more emphasis on social housing and the two new acts coming into effect, the Leasehold Reform Act and the Renters Rights Act.
- A Board member asked if political changes would affect Ongo. Steve Hepworth did not consider any adverse effects would result from changes in Government but Ongo should prepare for the possibility some changes would be forthcoming.
- There were suggestions of change to rent settlement (a review of the calculation method). It was felt in the sector that there could be one of the biggest reviews yet but that it would take time for any new plans to fall into place.
- An overview of repairs was provided. This remains a focus with 80% of jobs now completed within timescales. Tenant satisfaction had seen an upward trend during the year.
- Interim arrangements are in place following the retirement of the Director of Property and Head of Property before the new Director of Property begins.
- The launch of the Improving Lives project will see 125 homes receive floor coverings and assist with painting in 40 properties.
- North Lincolnshire Council have approached Ongo about buying Cole Street. This presents an opportunity to move staff from there into Ongo House. Alterations to the building would cost around £150k which is not budgeted for. If the sale went through, there be a capital receipt which would offset these costs.
- A Board member asked what the impact would be on budget and service users with the move to Ongo House. The £150k cost is allocated to re-purpose the existing spaces in Ongo House to make it suitable for the current uses of services at Cole Street. It should have no impact on services and although visibility would be diminished moving from Cole Street, there is a need to reach more people within our communities.
- There would be no impact on the budget if Cole Street sold this financial year and received a capital receipt. This was a decision for Board whether this was the right thing to do.
- A Board member commented they agreed with this in principle and often bringing all staff under one roof improved collaboration. They would like to see full business case with an options appraisal. **Action 11/24.**

Agreed: Board noted the presentation provided at the meeting.

5. Agenda item 5.2: Annual Complaint Performance and Service Improvement Report

Summary: This report provides our annual complaint performance information and an overview to Board on key service improvements. This report is now mandated by the Housing Ombudsman (HO) in line with the new complaint handling code. Within this report you will find performance data in relation to complaint handling, our annual Self-Assessment against the complaint handling code, reports, and publications by the Housing Ombudsman in relation to Ongo.

Discussion points/questions:

- Kevin Hornsby gave an overview of the report explaining that we are compliant with code but there was still a long way to go. Since the report was written another maladministration case had come from the Housing Ombudsman.



- This was another historic case and there would be a deep dive and learning from the case. It was felt this was a fair ruling as it was down to escalation timescales. Damp & mould cases are now dealt with in a new way. It remains a risk but we are improving services. Most complaints were historic cases.
- Steve Hepworth stated we had been poor at delivering repairs in a timely fashion. Where there are complex cases involving different contractors and different needs of our tenants, this had not been good.
- It was asked if not having a split at Heads of Service level between assets and repairs had contributed to this. This was something the new Director of Property will be asked to consider.
- The question was asked if there seemed to be any patterns in cases coming from the Housing Ombudsman. Kevin Hornsby explained learning is taken from each case. Issues were mainly around communication and timescales not been met.
- There was a 12 month delay in the ruling arriving from the Housing Ombudsman; the appeal process is taking around 3-6 months.
- Things should now improve moving forward due to the stronger processes now in place although it will take time to drive through improvements. Tenant satisfaction should also improve as the ongoing work improves the situation.
- A Board Trainee asked how long complaints were open, to get a sense of risk of further maladministration. Compliance on Stage 1 and Stage 2 complaints are tracked and is mandatory to reply within certain timescales.
- Steve Hepworth added TSM (tenant satisfaction measures) scores were at the lower end of the scale but this could be down to the fact we only survey digitally at the moment. Nearly every TSM has seen increases in the last year.
- Considering the figures, it suggests three in 10 tenants are satisfied which is disappointing. Further investigations have shown people completing this TSM are not always going through the complaint handling services. Disappointed and extremely disappointed tenants are contacted by a team member to obtain further details and learning which should drive more positive scores going forward.
- The Chair said that it was a good report and it should possibly be looked at again later in the year to monitor progress.

Agreed: Board:

- considered the content of this report and agreed the self-assessment gives assurance that we are compliant with Complaint Handling Code 2024 and approved for submission.
- provided scrutiny and challenge on the contents of the report and responded to this report with the intent it will be published to our tenants and customers on our website and provided in our annual submission.

6. Agenda Item 6: Response Repairs Position Report

Summary: Following limited assurances in internal audit reports on both Damp and Mould and responsive repairs, a Strategic Repairs Group was established to co-ordinate various existing action and improvement plans concerning responsive repairs. Due to the retirements of both



the Property Director and the Head of Property Maintenance the Chief Executive is leading this group which meets fortnightly.

Discussion points/questions:

- Steve Hepworth introduced the report by pointing out that 61% of repairs with a 7 day repair priority had been completed on time – this is an area of focus. Other areas were more positive with monthly repairs completing with an average of 21 days.
- Electrical repairs were behind due to team members off sick, another undergoing training and due to resourcing problems. A new electrician was recruited, offered the position and was due to start work on Monday but did not turn up. This demonstrates the difficulties that are being faced. The position is being re-advertised.
- Contractors have now signed new Service Legal Agreements (SLAs) and are using QL Contractors system to enable them to update job progress direct on our system. When a repair is allocated to an external contractor, tenants now receive a text message containing details for the contractor and timescales.
- A Board Member asked if contractors receive telephone calls backing up the details and if they were aware of the consequences of not meeting requirements.
- Contractors do get phone calls and have monthly face to face check-ins. Consequences are known but due to difficulty around finding suitable contractors, a pragmatic approach is being taken to manage performance rather than immediate strike offs.
- It was asked if there was more than one contractor for each service area and if work could be moved from one contractor to another. In some cases this was possible but some of the work is specialised with only one contractor.
- A Member commented aged jobs were an issue and wondered why. A lot of budget is being spent on damp & mould and most of these jobs stemmed from lack of communication from contractors not letting us know when there have been issues. We are looking into these jobs and are pro-actively managing the contractors involved.
- This was a difficult and challenging situation but one that had to be faced up to an addressed.

Agreed Board:

- considered and debated the current position with responsive repairs.
- considered progress on the Strategic Repairs Action Plan and debated if further actions or interventions are needed.

7. Agenda item 7: Performance and Financial Reporting

Summary: The following report presents the operational and financial performance of Ongo Homes (entity and group) for the period to March 2024. The £45m Guinness stock acquisition was completed in March and as a result we have drawn down £20m of the Barclays revolving credit facility (RCF) in 2023-24. Capital works for the year totalled £26.2m compared with a budget of £29.1m. Net operating surplus for the year of £5.9m is £0.8m adverse to forecast. This is driven primarily by additional property costs incurred to resolve the repairs backlog and damp and mould issues. This leads to a red status of the related financial golden rule.



Discussion points/questions:

- Ashley Harrison presented the report explaining the margin reduction was disappointing but was due to increased spending on repairs.
- The two amber scores had not quite recovered but strong headway had been made into the new year.
- Build costs were rising with a red indicator but actual costs last year were less than budgeted for this year. £20m drawn down from the revolving credit facility (RCF) for the Guinness properties would bring benefits in the long term.
- A Board Member asked if rent arrears would increase further. Unable to predict due to changes in Housing Benefit and Universal Credit payments falling at differing dates.

Agreed: The Board approved the management accounts of Ongo Homes (entity and group) for January 2024 and noted the contents of this report and associated information. The Board noted the red status of one financial golden rule, the red status of one and amber status of two business plan stress test indicators for Ongo Homes.

8. Agenda Item 8: Business Plan 2024-25: Final for Decision

Summary: The business plan for the organisation must be considered and approved by the Board on an annual basis, and the plan for 2024/25 has been considered in detail at the Board meeting of March 2024. This paper now provides a final update on the business plan following update for the closing year end positions for 2023/24.

Discussion points/questions:

- Ashley Harrison stated there had been no changes since the last report and any ups and downs were due to the timings of data being collected. He also advised Board the RCF time extension and £25m extra funding from bLEND would be brought to Board in the near future for approval.
- The Executive Leadership Team, then Ongo Developments Board had provisionally approved several development schemes. This was on the condition this Board approved them and the required funding was secured and in place before any commitments with developers were entered into.
- It was asked whether Barclays required additional security for the RCF funding. They did not so there will be immediate access to the cash.
- A Board member asked if Barclays had been spoken to about more favourable covenants. They had not and Ashley Harrison explained this was a deliberate decision to not delay arranging this additional borrowing. This could be discussed as part of the larger restructuring of funds.
- Steve Hepworth explained that funding had been held up due to the merger discussions and should this have gone ahead we would have had access to funding via the other party. As this did not happen we were progressing with Barclays and bLEND.
- We will need to keep developers in the loop in order for them to progress schemes when funds become available. No scheme would be entered into which may push us beyond the 18 month golden rule.
- A Board member commented it was right that schemes were not approved without the funding in place. They asked if it is a financial risk to bring the schemes forward. There is



liquidity in place which reduces risk. Board agreed the schemes brought forward in the business plan should be taken out of next year's plan and reviewed next year.

- There is £25m available with RCF but the extra funding was required to ensure we remained within the 18 month rule and had sufficient liquidity.
- Board agreed to discuss the position with development schemes further in their Autumn review of the business plan. **Action 12/24**

Agreed: The Board approved the business plan as the final plan for 2024/25, to be used in the submission of our Financial Forecast Return (FFR) to the Regulator by 30th June 2024.

In relation to information within paragraph 4.1.4, Board:

- considered and discussed the principal and effects of moving deliveries to earlier periods in the plan and agreed this should be brought forward and removed from the future plan;
- noted and discussed the current liquidity position in relation to entering new long-term development commitments.

9. **Agenda Item 9: New Consumer Standards**

Summary: As reported to previous meetings, on 1 April 2024 the RSH went live with four new consumer standards replacing the previous consumer standards: Safety & Quality Standard, Transparency, influence and accountability Standard, Neighbourhood and Community Standard and Tenancy Standard.

Discussion points/questions:

- Karen Cowan gave an overview of the report explaining that each new standard had been allocated a lead. A workshop had taken place to challenge the self assessments.
- There are no areas of non-compliance. An action plan of minor points to improve our compliance will be driven by the leads. Some of these were around website data and KPI's.
- She said there was a technical process needed next year to engage non-digital contacts. Future engagement will be the responsibility of the leads for each standard to look at different ways to gather information.
- The action plan will be monitored and many of the actions would be easily achieved, with time.
- Jo Sugden has been named on the website as the officer taking ownership of the new standards.

Agreed: Board received an update on our self-assessment against the Regulator of Social Housing (RSH) new consumer standards.

10. **Agenda Item 10 – Governance Update**

Summary: The report provided an update on regulatory findings within the sector, updated Board on the recent annual declarations of interest, notified the existing of the Strategic Fire Management Framework and shared the Chief Executive's appraisal objectives.



Discussion points/questions:

- Fiona Ruddick explained since writing the report there was now a 100% return rate from Board Members for the Annual Declarations of Interest form.
- A Strategic Fire Management Framework had been created.

Agreed: Board:

- considered the declarations of interest made by Board Members and noted this information is publicly available on request by the Ongo website.
- noted the creation of a Strategic Fire Management Framework.
- provided parental consent for subsidiary companies to adopt local policies where appropriate for their operational needs, in accordance with clause 11.5 of the Intra Group Agreement.
- received an update on regulatory judgements and RSH regulation within the sector.
- noted the objectives set for the Chief Executive in his recent appraisal.

11. **Agenda Item 11 – The Customer Voice**

Summary: This report is intended to provide Board with details of tenant feedback mechanisms and actual tenant feedback, along with how this is being used to influence service improvements. This is a periodic report, with this one covering January to March 2024. The report shows board how Ongo engages with its tenants, what they are telling us and what we are doing with the feedback. Please note that complaints are not referred to within this report as there is a separate agenda item on complaints at this meeting.

Discussion points/questions:

- Karen Cowan introduced the report stating that this report included digital data analysis around the Chief Executive’s Facebook event.
- Steve Hepworth explained 6,000 people follow our Facebook page and there are 11,000 tenants. His next session will have a more personal approach and be more proactive.
- We are looking at different ways to engage tenants including the continuation of Action Days.
- The Retirement Home visits were successful to engage with that tenant base.
- The Ongo carnival is scheduled for 7 August. Steve Hepworth encouraged everyone to attend for a great day to interact with tenants.
- A Board Member commented the report was good and showed how much we are doing to drive this.

Agreed: The Board determined this report provided the assurance it needed in relation to how the customer voice is facilitated and utilised.

12. **Agenda Item 12 – Equality, Diversity and Inclusion Update**

Summary: The purpose of this report is to provide an annual EDI summary update report for discussion and challenge, report on progress against the Board’s EDI Objectives Roadmap,



To identify diversity profiles at Board level following analysis in April 2024 and highlight Disability and Ethnicity as the areas that are currently under-represented, and share a status report on current board trainees and plans to recruit two new ones

Discussion points/questions:

- The report highlighted areas where the Board is not as diverse as its communities. Particular areas were disability and black and minority ethnicities.
- Previously backgrounds such as white Polish were classed as white other but in the latest census they have been categorised into white British.
- We are currently advertising for new Board members and soon for Board Trainees. This presented an opportunity to try and improve representation.
- A Board member stated we needed to get the best people without compromising EDI.
- Karen Cowan pointed out that Board data had the highest number of “prefer not to say” responses. If full responses had been provided, the representation may be different. .
- Steve Hepworth felt we should be focusing on visible differences and that research shows people joining were more comfortable with having someone visibly similar. He admitted Board and Leadership in Ongo was not very diverse.
- Another Board member felt a more diverse Board would bring different viewpoints but agreed that we need people with the right skills. The diversity of thought is an important point.
 - It was questioned by a Board member if this was a sector issue. They commented they recalled a time when having a women on the Board was unique.

Agreed: Board:

- considered progress made against the Board’s EDI objectives roadmap, raising challenge and agreeing any changes or focus required to actions, priorities or progress within the roadmap going forward.
- Were made aware of the current under-representation at Board level in terms of Disability and Ethnicity.
- acknowledged progress with the board trainee programme.

13. Agenda Item 13: Other Board and Committee Updates

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.

14. Agenda Item 13.1: Assurance Update from Board/Committee Chairs and Community Voice

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

15. Agenda Item 14: 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 (rent setting, probity policy and approved suppliers) were all approved.

Agreed: The Board

- approved the Approved Supplier List for publication (on Ongo Homes intranet and website) and approved its continued use by officers.
- formally approved the Probity Policy.
- formally approved the Rent Setting Policy following review and revision in line with the approved recommendations of the Rent Report presented at the Board meeting 23 January 2024.

16. Agenda Item 15: Attendance List

The attendance list was noted.

17. Agenda Item 16: Time for Reflection

- A Board member commented that it was a good set of papers bringing about good discussion. Another agreed saying there was a good balance of information.
- With executive summaries, a request was made this highlighted the key risks, whether this was a new initiative, it provided any challenge. Often the executive summary provides purpose of the report. **Action 13/24**

With no further business the meeting closed at 3.53pm

Signed by Chair: Date:

As a true and correct record of the Ongo Homes Board meeting held on 15 May 2024

