

Minutes of the Saffron Housing Trust Ltd Board Meeting

28th November 2022 – 4pm, Meeting held at Saffron Barn, Long Stratton & Hybrid- enabled via MS Teams

Present:

Board:	Bob Walder (BW) Chair	Asha Cleavelly (AC)
	Barry Duffin (BD)	Tom Fadden (TF) – SID
	James Francis (JF) – CEO	Mike Jolly (MJ)
	Tallia Langston (TL)	Rob Lankey (RL)
	Jason Margetts (JM)	Jayne Sharma (JS)
	Alison Inman (AI)	

Officers:

Iain Innes (II) – Chief Financial & Sustainability Officer
Hannah Harvey (HH) – Chief Operating Officer
Amanda Ashley-Smith (AAS) – Director of Governance
Tom Riches (TR) – Governance and Risk Manager
Sarah Elwell (SE) – Governance Officer

Apologies: Neil Watts (NW)

Ref.	Agenda Item	Action
2284	<p>Item 1 – Welcomes, Apologies for Absence, Declaration of Interests, Announcements</p> <p><u>Welcomes</u></p> <ul style="list-style-type: none"> The Chair welcomed Members and Officers present. <p><u>Apologies for Absence</u></p> <ul style="list-style-type: none"> Apologies were received from Neil Watts. <p><u>Declarations of Interest.</u></p> <ul style="list-style-type: none"> All members declared an Interest in Item 5 – Succession Planning. No further interests were declared other than those set out in the Declarations Register. <p><u>Announcements</u></p> <ul style="list-style-type: none"> The Chair announced there would be an update on Damp and Mould in items 4 and 11 of the meeting. There were no further announcements. 	
2285	<p>Item 2 - Minutes of Previous Meetings and Matters Arising</p> <p><u>2.1 Minutes of 26th September 2022 Board Meeting</u></p> <ul style="list-style-type: none"> There were no matters arising. <p>It was RESOLVED:</p> <ul style="list-style-type: none"> To APPROVE the minutes of 26th September 2022 Board Meeting as a true record of the meeting. <p><u>2.2 Notes of 26th September 2022 Board Pre-Session</u></p> <ul style="list-style-type: none"> There were no matters arising. <p>It was RESOLVED:</p> <ul style="list-style-type: none"> To NOTE the notes of 26th September 2022 Board Pre-Session. <p><u>2.3 Notes of the Board Away Day – 20th October 2022</u></p>	

	<ul style="list-style-type: none"> • There were no matters arising. <p>It was RESOLVED:</p> <ul style="list-style-type: none"> • To NOTE the notes of 20th October 2022 Board Away Day. <p><u>2.4 Matters Arising and Board Action Points</u></p> <ul style="list-style-type: none"> • It was noted that 11 Actions have been completed and 4 actions were outstanding. • The Board noted that the term “ongoing” would be updated to read “in progress” following a request from the People, Nominations & Remuneration Committee. ACTION <p>It was RESOLVED:</p> <ul style="list-style-type: none"> • The Action points were NOTED. 	TR 2285a
2286	<p>Item 3 – Optional Linked Minutes to Subsidiary and Committee Minutes</p> <p>Sustainability Committee – 13th September 2022</p> <p>It was RESOLVED:</p> <ul style="list-style-type: none"> • To NOTE the minutes of the Sustainability Committee meeting held on 13th September 2022 <p>Audit and Risk Committee – 13th September 2022</p> <p>It was RESOLVED:</p> <ul style="list-style-type: none"> • To NOTE the minutes of the Audit and Risk Committee meeting held on 13th September 2022 <p>Crocus Contractors Ltd Board – 22nd September 2022</p> <p>It was RESOLVED:</p> <ul style="list-style-type: none"> • To NOTE the minutes of the Crocus Contractors Ltd Board Meeting held on 22nd September 2022 <p>Service Quality Committee – 7th October 2022</p> <p>It was RESOLVED:</p> <ul style="list-style-type: none"> • To NOTE the minutes of the Service Quality Committee meeting held on 7th October 2022 <p>Sustainability Committee – 3rd November 2022</p> <p>It was RESOLVED:</p> <ul style="list-style-type: none"> • To NOTE the minutes of the Sustainability Committee meeting held on 3rd November 2022 	
2287	CONFIDENTIAL ITEM	
2288	CONFIDENTIAL ITEM	

2289	<p>Item 6 – Rent and Service Charges</p> <ul style="list-style-type: none"> • The Chief Financial and Sustainability Officer presented the report which set out the rent increase proposal for the Board’s consideration. • The Board noted the options of the rent increase and noted that a blanket 7% cap would cost Saffron £1.5m each year, this was better than the 5% modelled at October away day but still challenging. • It was highlighted that the overriding principal discussed by the Board at the October away day was consistency and fairness with a desire to not reduce investment in homes, as that is key to providing tenants with a warm, safe, affordable and well-maintained homes. • It was noted that the paper also proposes Saffron cap Shared Ownership rents at 7% as a voluntary cap to support the NHF in their efforts to secure the 7% cap on general needs, subject to a legal review of any implications. 	
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- It was noted that there were risks that voids may increase slightly and there could be an increase in bad debts. It was confirmed that Saffron will provide targeted support via the Tenancy Sustainment Fund to those tenants in need. It was raised that the Service Quality Committee were overseeing the review of the application process to remove barriers to tenants in accessing the fund.
- It was clarified to the Board that a formula rent flex was a ‘one-off’ which could be applied once when a property was relet, it was noted that there would be no further increased flex applied if the property was re-let again.
- The Board proposed that Tenant Sustainability fund needs to actively support these tenants, using data to identify and approach them.**ACTION** The Board raised that the targeted support should include those in receipt of care support.
- The Board queried if void losses and bad debt will have a further impact on the business plan, it was noted that the business plan assumptions were prudent with appropriate headroom.
- Before considering the proposals, the Chair proposed that the recommendations are subject to a legal verification, given the complexity of rent setting in the Housing sector.

	<p>It was RESOLVED, subject to legal verification, to:</p> <ul style="list-style-type: none"> • NOTE that all general needs properties will be increased in line with the government rent cap of 7%. • APPROVE that rents are no longer capped at LHA rate. • APPROVE the charging of flex on general needs (5%). The rationale for this is that it will give us further capacity to decarbonise homes and improve whole affordability for our tenants. • APPROVE the charging of flex on all allowable supported accommodation (10%). The rationale for this is that it will enable further decarbonisation of our stock, improving whole home affordability. It will also ensure that supported accommodation is financially viable and allow us to continue developing in line with our strategy. • APPROVE setting the rent increase in 2023/24 at CPI+1% for supported accommodation • APPROVE capping the rent increase in 2023/24 at 7% for all shared ownership properties subject to a legal review of any implications. • APPROVE setting the rent increase in 2023/24 at CPI+1% for garages • APPROVE moving to full recovery of our service charge with consultation with tenants. • APPROVE the continuation of the Tenancy Sustainment Fund to provide targeted support to tenants. Amount to be confirmed as part of the Budget process. • APPROVE Rent Setting and Service Charges Policy at Appendix A. • DISCUSS whether the tenancy sustainment fund should be used to support Shared Owners 	
2290	<p>Item 7 – Sustainability Strategies (Sustainability, Assets and Development)</p> <ul style="list-style-type: none"> • The Asset, Development and Sustainability strategies were presented to the Board which had been reviewed by Sustainability Committee and Saffron Community Members. • It was noted the key link to Inspiring Trust in regard to whole home heating costs. • It was confirmed that the Strategies would not be formally approved until the Business Plan is agreed and that Saffron can deliver all priorities within the strategies. It was noted that the Net Zero target date might be extended once the business plan has been reviewed. • Members identified that it was necessary to consider heat regulation for homes and not just to make them warmer. It was also suggested that tenants could be encouraged to take advantage of smart meters from Anglian Water to monitor water usage. 	

	<ul style="list-style-type: none"> The Board raised that an amendment was required on the documents to update the reference “Consulted with CAP” to the appropriate tenant group. <p>ACTION</p> <ul style="list-style-type: none"> The Board proposed a slight amendment to the wording at Section 6.1 of the Sustainability Strategy to replace the word ‘informing’ to ‘involving’. <p>ACTION</p> <ul style="list-style-type: none"> Members asked that the wording in the Strategy shown at Section 6 – Current Position - Resident Engagement reads “Resident Engagement is an important way of involving residents about the ways they can make a difference...”. It was noted that a government initiative had just been announced for the provision of insulation for private properties and social housing properties. <p>It was RESOLVED to:</p> <ul style="list-style-type: none"> APPROVE Strategies subject to the Business Plan, that will be approved in February 2023, confirming that the ambitions were still achievable. Any changes to the final strategies would be detailed in the Business Plan report. Subject to the agreed wording amendments. 	
2291	<p>Item 8 – Health and Safety Strategy</p> <ul style="list-style-type: none"> The Chief Operating Officer presented the report and outlined that the draft 2022 Health & Safety Strategy details the nine priorities for 2023 and beyond. The priorities include maintaining RoSPA gold award status, development and improvement of the H&S management system, improving the accident reporting rate and providing line managers with accredited H&S training. It was noted that Health and Safety was now fully embedded within the organisation. The Board queried if staff retention was still an issue within the team, it was confirmed that staff retention for Fire Risk Officers and Fire Inspectors was being addressed and recruitment was underway to fill these roles. The Board queried if there were any partnering opportunities following the RoSPA Gold Award. It was confirmed that this would be considered. ACTION The Board encouraged the reporting of “near misses”, through technology as this provided the data to make improvements. It was noted that Saffron are aware of under reporting following the move to agile working. It was highlighted that this now forms part of the induction process to make it clear that near misses whilst working remotely or at home still require reporting. The Board discussed the risks identified in paragraph 5.1 of the report, and raised that a failure to comply with the relevant H&S and Fire legislation could also result in death. 	

	<p>It was RESOLVED to:</p> <ul style="list-style-type: none"> • APPROVE the Health and Safety Strategy 2022 	
2292	CONFIDENTIAL ITEM	
2293	CONFIDENTIAL ITEM	
2294	<p>Item 11 – Governance Update Report</p> <ul style="list-style-type: none"> • The Director of Governance updated the Board on key governance matters since it last met, including updates on recent Sector Regulatory Judgements and Housing Ombudsman findings. • The report proposed approval of the revised Procurement Strategy and Policy, Board Effectiveness Policy, Board Member Composition and Succession Plan and Anti-Fraud, Bribery and Corruption Policy. • The Board were asked to approve minor amendments to the Standing Orders, Financial Regulations and Anti Money Laundering Policy to remove references to the Code of Conduct as a 'Policy'. • Members were updated on the New Housing Minister, Saffron's Financial Viability regrade and regulatory Returns. 	

	<ul style="list-style-type: none"> Members were advised that a procurement specialist had been appointed to the Governance team, who presented the revised Procurement Strategy and Policy to the Audit & Risk Committee. <p>It was RESOLVED to:</p> <ul style="list-style-type: none"> APPROVE the revised Procurement Strategy and Policy APPROVE the minor amendments to the Board Effectiveness Policy, Board Member Composition and Succession Plan and Anti-Fraud, Bribery and Corruption Policy. APPROVE that there is no longer a requirement for a separate Code of Conduct Policy. All relevant documents will instead refer to the adopted NHF Code of Conduct. APPROVE the minor amendments to the Standing Orders, Financial Regulations and Anti Money Laundering Policy to remove reference to the Code of Conduct as a 'Policy'. NOTE the contents of the report. 	
2295	<p>Item 12 – Policy Approvals currently on the Portal</p> <ul style="list-style-type: none"> Members were reminded to review the Complaints and Compliments Policy on the Board Portal. It was noted that responses had been received by six members. Members were asked to get in touch if they have any access issues relating to the Board Portal. 	
2296	CONFIDENTIAL ITEM	
2297	<p>Item 14 – Vital Signs – Q2 2022/23</p> <ul style="list-style-type: none"> The Director of Governance presented the Vital Signs Dashboard for Q2, which included commentary on each indicator. Members were informed that overall performance was good with a pre-tax surplus showing at £2.5m over budget. However, rent arrears were starting to increase slightly. The Board raised that seven of the twelve Vital Signs were not meeting target and that it was not clear to them what actions were being taken to reach targets. It was acknowledged that there was commentary and a RAG indicator for each indicator in the report, however it was noted that actions and steps towards the goals were not clear to Members and the presenting format will be reviewed to ensure Members understand expectations for year end and direction of travel. <p>ACTION.</p> <p>It was RESOLVED to:</p> <ul style="list-style-type: none"> NOTE and DISCUSS the report. 	

2298	<p>Item 15 – Inspiring Trust Update – Q2 2022/23</p> <ul style="list-style-type: none"> • The Chief Operating Officer informed the Board that this was the first operational update aligning the new strategy and new structure together. The Board also received the Building Compliance report. • Members requested further details regarding Tenancy Failures and Rent Arrears and where any trends could be identified. ACTION • When considering the Repairs Review, Members were informed that this was a lengthy piece of work but would ultimately have a positive impact on the organisation. The Repairs Policy was reaching the next stage of review with the Service Quality Committee on 6th December 2022. • The Board raised that there was currently a deficit in Fire Door inspections. It was noted that Saffron are going beyond the requirements to undertake Fire Door inspections. It was noted that this is being reviewed so that Saffron can keep up with target with support of extra resources. • The Board queried if tenant's welfare is checked if their gas has been capped on the request of the tenant. It was confirmed that this is followed up with a visit from 	
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	<p>the neighbourhood officer to see if Saffron can further assist them or provide alternative heating.</p> <p>It was RESOLVED to:</p> <ul style="list-style-type: none"> • DISCUSS the contents of the Inspiring Trust report. 	
2299	<p>Item 16 – Inspiring Community Report – Q2 2022/23</p> <ul style="list-style-type: none"> • The Chief Financial and Sustainability Officer presented this report and provided an update on the Inspiring Community strand of the strategy. • It was noted that the Sustainability Committee monitors the new homes Vital Signs by Actual and Forecast for each quarter which could be adopted by the Board. • The Board discussed the issue and impact of Nutrient Neutrality, it was noted that there was also a potential opportunity for Saffron, such as retrofitting current stock. It was noted that Saffron are drafting a strategy to mitigate Nutrient Neutrality as no schemes in the Nutrient Neutrality boundaries will receive Planning Permission and be delayed. • It was noted that a Board Member will request further information outside of the meeting regarding Nutrient Neutrality and Carbon Credits. <p>It was RESOLVED to:</p> <ul style="list-style-type: none"> • NOTE the Development Risk Register. • NOTE the contents of this report including the performance against Vital Signs and Priorities for the year and the development programme. 	

2300	<p>Item 17 – Financial Management Report – Q2 2022/23</p> <ul style="list-style-type: none"> The Chief Financial and Sustainability Officer presented this report and highlighted the financial position at the end of 30th September 2022. The key items were the group pre-tax surplus is forecast at £2,484k over budget at March 2023. Members noted that options were being explored for Crocus gift aid following the upcoming increase in corporation tax rates to 25%. Options include Crocus not paying any Gift Aid for 2022/23, but declare Gift Aid at the beginning of the next financial year (2023/24) and Crocus paying the Gift Aid to Saffron in April 2023. It was raised that receiving Gift Aid at the start of the financial year would enable Saffron to plan investment in existing stock. It was confirmed that this would be further explored, with appropriate advice, before a recommendation is proposed. <p>It was RESOLVED to:</p> <ul style="list-style-type: none"> NOTE the report NOTE the discussions being held with Crocus Board in relation to 2022/23 gift aid, being declared and paid in April 23 for tax planning purposes. 	
2301	<p>Item 18 – Crocus Quarterly Update</p> <ul style="list-style-type: none"> The Governance and Risk Manager presented this report and updated the Board on Crocus activities, performance and key risks. The Board queried if there was an opportunity to share any learning with Saffron on the updated Branding, Website and Accessibility. It was noted that any learning would be shared as part of the Saffron website review. <p>It was RESOLVED to:</p> <ul style="list-style-type: none"> NOTE the report. 	
2302	<p>Item 19 – Sealing and Power of Attorney Register</p> <ul style="list-style-type: none"> The Sealing and Power of Attorney Register was presented to the Board for ratification. <p>It was RESOLVED to:</p> <ul style="list-style-type: none"> RATIFY the use of the seal and powers of attorney. 	
2303	CONFIDENTIAL ITEM	
2304	CONFIDENTIAL ITEM	
2305	<p>Item 21 – Close of meeting</p> <p><u>Chair's closing remarks & Feedback on meeting</u></p> <ul style="list-style-type: none"> The Chair wished all Members and Officers a Merry Christmas. <p>Date of Next Meeting:</p> <ul style="list-style-type: none"> Board Away Day – 6th February 2023 Board Meeting – 27th February 2023 – Saffron Barn, Long Stratton <p>Meeting Closed: 17.05pm</p>	