

Meeting	FAR Meeting	 Shropshire Towns and Rural Housing
Date	4th September 2023	
Time	13:30 – 16:00	
Location	Teams	
Present:		
Steve Robinson (SR)	Chair of FAR Committee	
Tony Deakin (TDk)	Chair of Board, Independent Board Member	
Harpreet Rayet (HR)	Managing Director	
Ros Bridges (RB)	Corporate Director	
Martin Cantrill (MC)	Item 5, Health & Safety Update	
Rosanna Davenport (RD)	Governance Manager	
Tom Forty (TF)	Operations Director	
Paul Hayward (PH)	Co-opted Board Member	
Rob King (RK)	Interim Head of Finance	
Mark Seddon	Internal Audit, Shropshire Council	
Kevin Williams (KW)	Item 3, H&S Update	
Debbie Gauntlett	Independent Minute Taker	
Apologies		
David Moran (DM)	IT & Business Transformation Manager	
Bill Devitt (BD)		
Emma Jones (EJ)		
Barry Hanson (BH)	Head of Policy and Governance of Shropshire County Council	
Catherine Young (CY)		

Minute No.		Who	When
1.	Apologies were received and accepted from DM.		
2.	<p>The minutes of the Meeting held on 14th July 2023 were approved as a true record.</p> <p>Matters Arising</p> <p>Item 3: Health and Safety Update – parking safely action to follow as part of the agenda update. Action.</p> <p>Item 4: Strategic Risk Register Update.</p> <ul style="list-style-type: none"> HR confirmed a separate meeting had taken place and the discussions had been included in the Risk Register (copy available in the meeting pack). A reminder was given that a special risk session was being arranged and a date would be circulated to all once agreed. Action. <p>Item 5: 30 Year Investment Plan. HR advised that a new business plan tool programme was in the process of being purchased and once</p>	<p>KW</p> <p>CB</p>	asap

	<p>the system had been implemented, it was anticipated that a draft business plan for the first 30 years would be available at the December FAR meeting. Action.</p> <p>Item 6: Draft STAR Statement of Accounts 22/23.</p> <ul style="list-style-type: none"> • Draft Statement of Accounts. RB reported that there were a number of balances that were waiting to be agreed by Shropshire Council. It was anticipated this would be within the next couple of days. • Framework / policy to identify potential priorities for reserve. Action: To be discussed as part of today’s agenda. • Reserves Planning. To be part of the Business Plan work. <p>Item 7: Draft External Audit Findings 22/23.</p> <ul style="list-style-type: none"> • Unrecorded Liabilities. RB reported that the adjustments had now been made. • Older age debts. In progress. Action: To be completed in advance of the next year end. <p>Item 8: Compliance Policies. HR reported that the Local Authority was in the process of seeking legal advice from Anthony Collins Solicitors regarding roles/responsibilities and policies. The LA will make recommendations for approval based on the advice given. HR noted that STAR would still have a duty under the management agreement to continue using those policies in relation to the management to STAR. Action: Waiting feedback from the Local Authority. HR advised that it was hoped there would be a draft available at the next FAR meeting and the urgency of this had been emphasised to the Local Authority. A request was made for the report to be split into two columns highlighting a) responsibility of LA and b) responsibility of STAR Committee/Leadership Board or Board.</p> <p>Item 9: Financial Rules Update. RB described this as ongoing process as role reviews and staff restructuring is finalised and an update to the financial rules would be circulated once completed. Action: planning meeting scheduled to set deadline dates. Written report to be available at the next meeting.</p> <p>Item 10: Contract Management Update. TF provided an update on new contract management items that had been put into place by the assets team. Feedback included:</p> <ul style="list-style-type: none"> • Contract Register. Confirmation good progress had been made. • Asbestos. Good progress had been with clear specifications available. • Contracts/Repair contractors. Working with customers and contractors regarding how integrations on systems including purchase orders, job completion dates and payment processing • Maintenance work. A more detailed monthly monitoring point in place explaining how much is spent. • Finance team / Shropshire Council. Working in partnership to ensure STAR has greater of finance/capital spending. 	<p>HR</p> <p>RB</p> <p>RB</p> <p>RB</p> <p>RB</p>	<p>December</p> <p>September</p> <p>New year FAR meeting</p> <p>Next FAR Meeting</p>
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	<p>Item 11: Development Appraisal Parameters. HR updated that once performance metrics and data had been received, this would be benchmarked on SDS recommendations.</p> <p>Item 12: Savills LHA Rent Cap. HR updated that following agreement, the LHA rent cap would be reversed by the Local Authority. A draft report is expected to go to the Cabinet in November 2023.</p> <p>Item 15: Committee Meeting dates. New Governance Manager Rosanna Davenport was introduced to the Committee members. Action: future meeting dates to be agreed/circulated.</p>	RD	ASAP
3.	<p>Health and Safety Update</p> <p>KW provided an update on the seven incidents in total, four within the ground's maintenance department and three within the repairs department, and brief details were provided for information.</p> <p>KW shared images online of recent fire damage that had taken place at a property in Alton Road on 3rd August 2023. KW provided background details describing the incident as a 'complex case'.</p> <p>A question was asked whether the 'vulnerable' person involved was being appropriately supported in respect of 'duty of care'. MC responded that significant conversations had been taking place between the housing teams, Social Services, the Police, Counsellors and other relevant partner organisations.</p> <p>HR added that the team were satisfied they had done all they could and a more detailed update was expected within the next couple of weeks.</p> <p>TD asked about insurance and the impact to the cost of the premium in light of the number of fires. TD queried how insurance quotes are tendered. HR advised that STAR insurance was grouped together with the Council and reported that any increase to the premium rate would also take into consideration activity across the board, including all the assets currently managed and controlled by the council.</p> <p>Agreed Actions:</p> <ul style="list-style-type: none"> • HR recommended an annual review of safeguarding by the Committee and agreed to draft a paper for approval at a future meeting. <p>With no further questions, the Committee thanked KW for the update and he left the meeting at 2.00 pm.</p>	KW	In progress
4.	<p>Strategic Risk Register / Risk Workshop</p> <p>A copy of the updated Strategic Risk Register dated August 2023 had been circulated in advance and taken as read.</p> <p>HR provided a brief overview of a change in some of the risk scores within the main report since the last update in July 2023. These were highlighted as:</p>	HR	

	<ul style="list-style-type: none"> • Cultural changes, Staffing and Resource. Recruitment has been successful for a number of senior posts and ongoing discussions continue with HR colleagues regarding vacant compliance expertise. It was noted that the annual staff survey would be circulated at the end of the calendar year. • Building, Safety and Property Compliance. Confirmation was given that work with the Council and The Regulator continues to ensure the correct infrastructure for compliance is in place moving forward. • Data Management. New risk added to the risk register in relation to how data is managed and how this data can be trusted, how it is managed and how it is shared within the organisation. • RAAC update. Although issues are within the Education sector currently, it was anticipated that this would also affect a number of public buildings. HR advised that data was being collated on records held and inspections were being undertaken where buildings may have a concrete roof. It was not thought there were any housing stock or buildings affected and an update report would be presented to the Board on the 18th September 2023 following the investigation currently taking place. <p>HR highlighted that the Strategic Risk Register should remain current with a clear flow of information shared between the appropriate Boards. HR recommended further discussion during the Risk Register Workshop.</p> <p>HR added that he was working with the Customer Committee looking at the Terms of Reference and the management approach to ensure a clearer operational risk register with effective communication between the different Committees and the Board.</p> <p>RB noted the risk regarding data management integrity was a key focus for her own area.</p> <p>RB talked about an emerging risk regarding the management of finances and recommended an action plan to address and stabilise any issues quickly. HR added that this may be a strategic risk to be added to the strategic risk register and recommended considering as part of today’s agenda discussions.</p> <p>Agreed Actions:</p> <ul style="list-style-type: none"> • RAAC updates and financial risk updates to be updated within the Strategic Risk Register prior to being presented to the full Board on 18th September 2023. • Strategic Risk Register. Further discussion regarding keeping the register current/active to take place during the Risk Register Workshop. <p>The Chair invited questions.</p> <p>TD asked about the Sustain contract and the existing staff payment arrangements. Were the payments continuing whilst contracts were being negotiated and how was the team dealing with any</p>	<p>TF/HR</p>	<p>18 Sept 2023</p>
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	<p>uncertainty? HR advised that significant work was taking place and explained the two parts of the sustained contract; 1) scheme contracts and 2) main contract (floating support and homelessness).</p> <p>HR reported that a number of members of the consortium decided not to bid and STAR were the only member that did bid. HR advised an issue had emerged, that the council was trying to resolve, with regards to TUPE. If the council decided not to move forward with the bid, they will have to TUPE (potential redundancies and retaining staff for 6 months at a significant cost of between £250K and £400K).</p> <p>HR reported that Robert, SW, TF and HR were drafting a report for the Board with a number of TUPE options for consideration.</p> <p>TD asked about staff morale and HR advised it was 'not great' and the business case presented to the board would be really important. MC added that the team had been 'brilliant' which was a real testament to the team.</p> <p>MC thanked HR for the updated Strategic Risk Register describing it as a more 'self-aware document'. MC requested future reports include the comment updates.</p> <p>The Chair thanked the team for the updated report stating he had confidence that the team had a clear understanding of the register and identifying/dealing with issues within a clear plan.</p> <p>Action:</p> <ul style="list-style-type: none"> • Sustain Contract options to be presented to the Board on 18th September 2023 for recommendation, discussion, and approval. Deadline for decision: 1st October 2023. 	<p>Robert, SW, TF, HR</p>	<p>18 September 2023</p>
<p>5.</p>	<p>Procurement Exemptions</p> <p>MC joined the meeting to present on two current procurement exemptions:</p> <ul style="list-style-type: none"> • HQM Approval for Resident engagement support. MC provided a brief background. The output agreed upon was to evidence a self-assessment and acumen plan against the new standards to produce a baseline to work towards. Work will commence in September 2023. A further meeting for discussion was due to take place next week. • Compartmentation surveys and buyers strategies. MC explained the urgent need to get these in place and was working with a National company Softec to get these in place and mobilise quickly. In total 84 properties, two high priority, would require compartmentation surveys. <p>The Committee agreed the work required to complete the two exemptions.</p> <p><i>MC left the meeting.</i></p>	<p>MC</p>	

6.	<p>Finance Review Update</p> <p>RB presented the finance review update and interim finance report (R King - RK Financial Consulting Ltd). The papers circulated in advance were taken as read.</p> <p>RB updated that the findings from the investigations were as expected.</p> <p>A recommendation was put forward to approve the proposed restructure of the finance team and associated increase in headcount/cost. RB explained this was to assist with addressing the findings and issues regarding the management accounting.</p> <p>RB invited questions. The Chair acknowledged previous discussions and thanked RB for the report. He questioned whether the FAR committee members had the authority to approve the proposed restructure and HR confirmed the FAR Committee could make the recommendation to the Board to ensure financial strong partnerships across the business.</p> <p>TD agreed it should be a recommendation to the Board and queried the ability to recruit the personnel required and suggested using employment agencies to assist. RB updated on interim measures in place confirming the Head of Finance had left the business recently and advised RK is assisting with keeping the day-to-day responsibilities and working on a team action plan. RB agreed that it would be key to start recruitment as soon as possible.</p> <p>The FAR committee endorsed the recommendations from the report regarding the restructure to present to the Board on 18th September 2023.</p> <p>Agreed Actions:</p> <ul style="list-style-type: none"> • Recommendations regarding the restructure to be presented to the Board for approval at the next meeting on 18th September 2023. 	RB	
7.	<p>Business Plan Update</p> <p>HR advised that a number of different systems had been considered in relation to creating the 30-year Business Plan. A demonstration by Abovo of the business tool had taken place which was described as 'everything we need' in terms of stress testing, rent modules and analysis whilst being cost-effective. It was confirmed that Rob would be leading on the project. TD said he was aware of the system and believe it to be a good choice.</p>	HR	

	<p>TD queried how the FAR committee would be advised of any issues or problems. HR advised reports would be available whilst it is being implemented before the Business Plan is presented before the end of the financial year.</p> <p>The FAR Committee agreed the purchase of the Abovo Business Plan and Rent Planning Tool.</p> <p>Agreed Actions:</p> <ul style="list-style-type: none"> • Progress reports to be available at future FAR meetings for information. 	RK	Next FAR meeting.
8.	<p>Q1 Budget Monitoring 2023/24</p> <p>RB reported on the difficult area within finances following the recent departure of key management personnel. RB advised she did not wish to provide inaccurate information and requested further time to produce a more 'meaningful report'. The FAR committee acknowledged the difficulties within the finance team.</p> <p>The FAR committee agreed it to be appropriate to receive a more detailed report in November 2023.</p> <p>Agreed Actions:</p> <ul style="list-style-type: none"> • Detailed report to be available at the next FAR Committee meeting and Board meeting afterwards. 	RB RB	Nov FAR Meeting
9.	<p>Outline Procurement Strategy</p> <p>MC presented on the procurement strategy. An overview included:</p> <ul style="list-style-type: none"> • Procurement Objectives ensuring all activities are in line with the Public Contract Regulations 2015 and STARs own financial regulations. Ensure they are procured on time, utilise current frameworks, utilise DPS model of tendering, ensure robust specifications, ensuring social value and value for money. • Risks of poor procurement processes including failure to efficiently manage the processes, poor management and early budget setting. • Use of JCT Online portal for contract writing saving time and money. • Details of total value of contracts to procure before April 2024 - £3,576,500.00. • Identifying local contractors and Social Value. Confirmation was given that all social value will be regularly audited. <p>The Chair invited questions and HR observed 12 – 24 month short-term contracts with local contractors were being considered as best value which should help alleviate any immediate pressures.</p> <p><i>MC left the meeting at 14:55pm.</i></p>	MC	

<p>10.</p>	<p>Q1 Performance</p> <p>RB reported in DM’s absence. The report presented was taken as read. RB explained the information reported had been a really useful task to put together and shared positive news stories as reported.</p> <p>HR added that he hoped the report highlighted the improvements that had been made regarding issues identified regarding voids and repairs. HR and TF reported it as still a concern but it was hoped the process mapping (understanding the customer journey) would help in relation to the overall process of audits and lettings.</p> <p>TD suggested excluding historic points and report from the review date/made changes for the Board to show progression. HR agreed that the report could be presented from 1 April 2023, post review showing improvement in performance.</p> <p>Action:</p> <ul style="list-style-type: none"> • Include context / improvements for the Board from 1 April 2023 for Board information. 	<p>DM</p> <p>RB/HR</p>	<p>18th September Board</p>
<p>11</p>	<p>Any Other Business</p> <p>Compliance Policies. Internal audits have undertaken audit on data supplied to the Board and this will be shared at the Board meeting. Action: Present to the Board on 18th September 2023.</p> <p>Property. TF provided an update on a serious case of damp and mold in one property (temporary accommodation arrangements with Shropshire Council). The team was working with management to resolve the issue. Confirmation was given that the resident was not living in the property whilst work was being completed.</p> <p>The FAR Committee recommended the following documents be circulated to the next Board meeting:</p> <ul style="list-style-type: none"> • Strategic Risk Register (for discussion) • Proposed Changes to Restructuring • Business Planning Tool - Abovo Purchase <p>With no further items for discussion, the meeting closed at 15:20pm.</p>	<p>TF/HR</p>	<p>18th September Board</p>