



**Plymouth Community Homes Board
Board Room, Plumer House and Microsoft Teams
27 July 2023 at 5:00 pm**

Present in person unless stated:

Valerie Lee (VL) Chair
Debbie Roche (DR) (Vice Chair)
Lavinia Porfir (LP)
Liz Nicolls (LN)
Graham Clayton (GC)
Maja Jorgensen (MJ)- Virtual
Sally Haydon (SH)
Tasawar Nawaz (TN)
Jill Gregg (JG)- Virtual
Emma Lovett (EL)
Peter Nourse (PE)
Julie White (JW)

In attendance:

John Clark (JC) – Chief Executive- Virtual
Nick Jackson (NJ) – Director of Business Services and Development
Gill Martin (GM) – Director of Corporate Services
Tracey Gray (TG) Director of Homes and Neighbourhoods – Virtual
Charlotte Edwards (CE) – Head of Strategy, Performance and Policy- Part
John Rees (JR) – Head of Finance
Andrew Lawrie (AL) Head of Development
Helen Ryan (HR) Head of Communities and Supported Housing
Charlotte Scribman (CS) Housing with Support Manager
Calum Gordon- CG. Sustainability Lead
Lucy Rickson (LR) - Head of Governance
Leanne Eastwood (LE) – Governance Officer (Minutes)
Mark Dawson-KPMG – virtual

Observers:

Zoe Reilly

Apologies:

None

1	Welcome and Introductions Confirm Quorum	
	<i>The meeting started at 5:00pm</i>	

01/07/23	<p>VL welcomed everyone to the meeting including EL & PN to their first board meeting and ZR who was observing. There were also a number of staff members who were attending for the first time who were welcomed.</p> <p>All Board members had been given the opportunity to ask questions in advance via email with responses being circulated to all members ahead of this meeting and attached as an appendix to these minutes.</p>	
2	Apologies for Absence	
02/07/23	No apologies of absence had been received.	
3	Declarations of Interest	
03/07/23	<p>The guidance on declaring an interest was noted.</p> <p>JG declared an interest in paper 14.2 Brixham Road as she is also a Board member for Torvista, an RP in the same area, and would therefore abstain from any decision making on this item.</p>	
4	Minutes of Previous meeting (25 May 2023) including redactions	
04/07/23	The minutes from the meeting on 25 May 2023 were discussed. It was confirmed that the minutes were a correct record of the meeting and that they could be electronically signed by the Chair.	
5 05/07/23	Matters Arising There were no matters arising.	
6 06/07/23	Minute action log & resolution tracker The Minute Action Log was reviewed, and four items had been completed.	
7 07/07/23	Decisions since last meeting (refer to Resolutions on Convene for details) Board member appointment Emma Lovett	
8 08/07/23	Briefing papers since last meeting – None	
9 09/07/23	Chair’s Urgent Business – None	

10	Committee Minutes Circulated	
10/07/23	<p>The minutes from the following Committee meetings were included for reference:</p> <ul style="list-style-type: none"> • Audit & Risk Committee 18 July 2023 • Customer Focus Committee 12 May 2023 • Development Committee 18 May 2023 	
11	Audit & Risk Committee meeting 18 July – Chair update including papers for approval at this meeting	
11/07/23	<p>LN as Chair of the Audit & Risk Committee (ARC) provided the Board with an update on the meeting that took place on 18 July 2023.</p> <p>It was confirmed that ARC met independently with KPMG ahead of the meeting. ARC had scrutinised the Statutory Accounts for PCH and its subsidiary companies and were recommending them for approval. Of particular note was the pension position which showed a surplus for the first time since 2019.</p> <p>ARC also considered two Mazars internal Audits where PCH had received adequate assurance and the Strategic Risk Register which saw Landlord & Corporate Health and Safety Risks presented separately.</p>	
11.1	Strategic Risk Register	
12/07/23	<p>GM, Director of Corporate Services, presented the updated Strategic Risk Register to the Board for noting.</p> <p>The report set out amendments to the Register which included updating the strategic objectives in line with the Strategic Business Plan 2023-28. It was also highlighted that each risk included the applicable business drivers and their level of appetite to ensure that Risk Appetite was fully integrated into the assessment and subsequent response to each risk.</p> <p>The definitions of the Red, Amber Green (RAG) Assurance Ratings had been reviewed. The revised definitions considered whether:</p> <ul style="list-style-type: none"> • We are operating within the level of agreed Risk Appetite • The effectiveness of the controls in place to mitigate the risk • The capacity to absorb the risk should it occur • The Residual Risk Scores (Likelihood, Impact & Risk Rating) <p>The Assurance Ratings would then inform PCH's response to the risk within the 'Risk Actions & Risk Context' section.</p> <p>A summary of key changes since April 2023 was considered which included the 'Asset Management' Risk which had been repositioned, so</p>	

	that it sat underneath the 'Corporate Health & Safety' and 'Landlord Compliance & Obligations'. The definition had been amended to "Asset management programme fails to deliver and meet required standards for decent homes, sustainability, and disrepair"	
	Redacted as Commercially Sensitive.	
13/07/23	<p>As a result of questions the following was clarified:</p> <p>[REDACTED]</p> <p>A succession plan policy/procedure was currently in draft form and would be coming to Remuneration & Nomination Committee for approval in September.</p>	
14/07/23	The Board noted the Strategic Risk Register report.	
12	PCH Energy Board Chairs update 24 July 2023- redacted as commercially sensitive	
15/07/23	<p>JC as Chair of the PCH Energy Board gave an update on the meeting that took place on Tuesday 25 July 2023.</p> <p>The primary focus of this meeting was to review the Statutory Accounts for PCHE which were being put forward for approval today.</p> <p>The PCHE Risk Register was reviewed by the Board and an additional risk has been included around the maintenance of PV panels.</p> <p>[REDACTED]</p>	
16/07/23	The Board noted the PCHE update report.	
13	PCH Regeneration 25 July 2023 Chairs Update	
17/07/23	<p>JG as Chair of the PCH Regeneration Board gave an update on the meeting that took place on Tuesday 25 July 2023.</p> <p>[REDACTED]</p>	

	The Board reviewed and agreed a refreshed budget for Regeneration and stress testing of the risks to ensure that any of the activities undertaken by PCHR would not put PCH in any financial difficulties should they not be successful.	
18/07/23	The Board noted the PCHR update report.	
14	Development Committee Chairs update 20 July 2023- redacted as commercially sensitive.	
19/07/23	JW as Chair of the Development Committee provided an update on the meeting that took place on the 20 July 2023. <div style="background-color: black; width: 100%; height: 100%; min-height: 150px;"></div>	
14.1	Development update and KPI's	
20/07/23	AL, Head of Development presented the Development update and KPI report which enabled the Board to monitor progress across all Development Programmes. The report highlighted property completions, pipeline schemes, progress against the 2020-2025 development programme and an overall portfolio summary detailing the total number of homes to be built on schemes and those built since 2009.	
21/07/23	The PCH Board noted the content of the Development Update.	
14.2	[REDACTED] - redacted as Commercially sensitive.	
22/07/23	<div style="background-color: black; width: 100%; height: 100%; min-height: 50px;"></div>	

	[Redacted]	
	[Redacted]	
25/07/23	[Redacted]	
26/07/23	[Redacted]	AL
27/07/23	[Redacted]	

15	Statutory Accounts	
28/07/23	<p>NJ, Director of Business Services presented the accounts to the Board explaining that the Board was responsible for ensuring that the Annual Financial Statements and the Board’s Report are produced in accordance with applicable law and UK Accounting Standards.</p> <p>In order to carry out this function, the Board is supported by the Audit & Risk Committee which carried out its review at its meeting on 18 July and recommends the accounts to the Board for approval.</p> <p>The Audit and Risk Committee had been tasked with reviewing the financial statements for PCH Ltd and its subsidiaries, PCH Regeneration and PCH Energy and were recommending them for approval.</p> <p>Since the papers were published there has been work going on in the background while the team continue to make minor edits to the glossy version for consistency, spelling or narrative issues which have been identified and corrected. A copy of these changes had been added as a tabled document to Convene and printed for the meeting.</p> <p>All amendments have been shared with KPMG and assurance was given that no material changes have been made to the core statements.</p>	
29/07/23	<p>Letters of Representation had been prepared which formally set out the Board responsibilities for each company. Board members should be satisfied that these are correct and if there is anything that they feel hasn’t been disclose they should make it known. No such declarations were made in response to this request.</p> <p>The Audit Highlights Memorandum, prepared by KPMG set out the key findings and issues arising from their audit. The key findings were that:</p> <ul style="list-style-type: none"> • The audit report is unqualified. • The auditors did not identify any accounting errors or control deficiencies 	
30/07/23	<p>The report also set out the work that had been undertaken by KPMG as external auditors. MD from KPMG was in attendance to answer any questions and highlighted that there had been an amendments to the Cash in transit figure as at 31 March 2023 which had not been included in the cash balance at year. Following this late adjustment there were still some small areas to finalise in the files for the audit to be completed.</p>	

	<p>KPMG proposed that subject to Board approval they give a clean opinion of the group’s financial statements including those of the subsidiary companies.</p> <p>The Board were also asked to recommend to the AGM that KPMG are re-appointed as external Auditors for another year. Clarification was given that this would be the final year before re-tender.</p> <p>The Board consider the work undertaken by KPMG as external auditors and to recommend their re-appointment at the AGM.</p>	
31/07/23	<p>Confirmation was given that Audit and Risk Committee met the auditors independently without staff or the Executive being present.</p> <p>Confirmation was also given regarding the pictures used by our communications team that consent is given and there are mechanisms in place for this to be withdrawn should individuals wish to do so.</p>	
32/07/23	<p>The PCH Board:</p> <ol style="list-style-type: none"> 1. Approved the financial statements for PCH Ltd and its subsidiaries for signature by the Chair of each company and KPMG 2. Approved that the external auditors, KPMG, be re-appointed for the year ended 31 March 2024 at the AGM. 	
18:10	MD left the meeting	
16	VFM Strategy	
33/07/23	<p>CE, Head of Strategy, Policy and Performance presented the refreshed VFM Strategy to the Board for approval.</p> <p>The Strategy set the approach to business effectiveness and the four objectives in relation to VFM:</p> <ul style="list-style-type: none"> - Provide the right homes, the right services and to the right quality. - Manage our assets effectively and efficiently. - Work effectively with our supply chain. - Maximise opportunities for adding social value <p>The underlying tone of the strategy was all about how we add social, financial, and environmental benefit to our communities as a result of the work we do as a socially focussed and values-based organisation.</p> <p>The strategy sets out how we will deliver and measure value for money as we deliver the strategic objectives in the 2023-2028 Strategic Business Plan, and how our tactical strategies underpin delivery of value for money through everything we do.</p>	

	<p>The Board would continue to receive an annual value for money report with detailed costs of running services, performance, satisfaction, and a variety of other information such as social value through procurement and how residents have influenced our services throughout the year.</p>	
34/07/23	<p>The following was discussed and clarified:</p> <p>The Strategy sought to bring in the wider context of VFM – incorporating building safety and how residents feel about their homes, alongside supply chain management and how we hold our suppliers to account to maximise social value.</p> <p>Alongside the annual Housemark information, PCH will be widening our monitoring of VFM to include internal metrics and looking for opportunities to benchmark ourselves; including against the new Sustainability standard and tenant satisfaction measures.</p> <p>The objectives were discussed and how this strategy sets out how some of these objectives, while not leading to financial gain, do deliver an improvement in social outcome and return.</p>	
35/07/23	<p>Feedback from residents was an essential part of ensuring we are delivering services that people want – listening to people and acting upon it and knowing our residents. The Board were given an update on the way that we capture this information and its place within the VFM Strategy.</p> <p>It was also felt that it was important that we communicate with residents how we spend the rent that we receive from them not just in the annual report but on a more user-friendly individual level. A suggestion was made that we could include this in the rent statements; however as we are trying to move to a more streamlined process other forms of communication could be considered to engage with residents.</p> <p>A discussion took place around planned maintenance and confirmation was given that PCH are looking to explore potential partnership arrangements with our contractors which could see improved VFM rather than just using them in the short term or for site specific works. Alongside this a new supply chain strategy was being developed to explore if we could move away from larger local contractors who are already committed to other works to smaller firms who have more flexibility.</p> <p>It was clarified that the strategy reflects the decisions that we make and where we are in the choices that we want as an organisation. With benchmarking being in the context of who we are and what we want to achieve, which was important for the Board to understand.</p>	
36/07/23	<p>The PCH Board approved the 2023-2028 Value for Money Strategy.</p>	

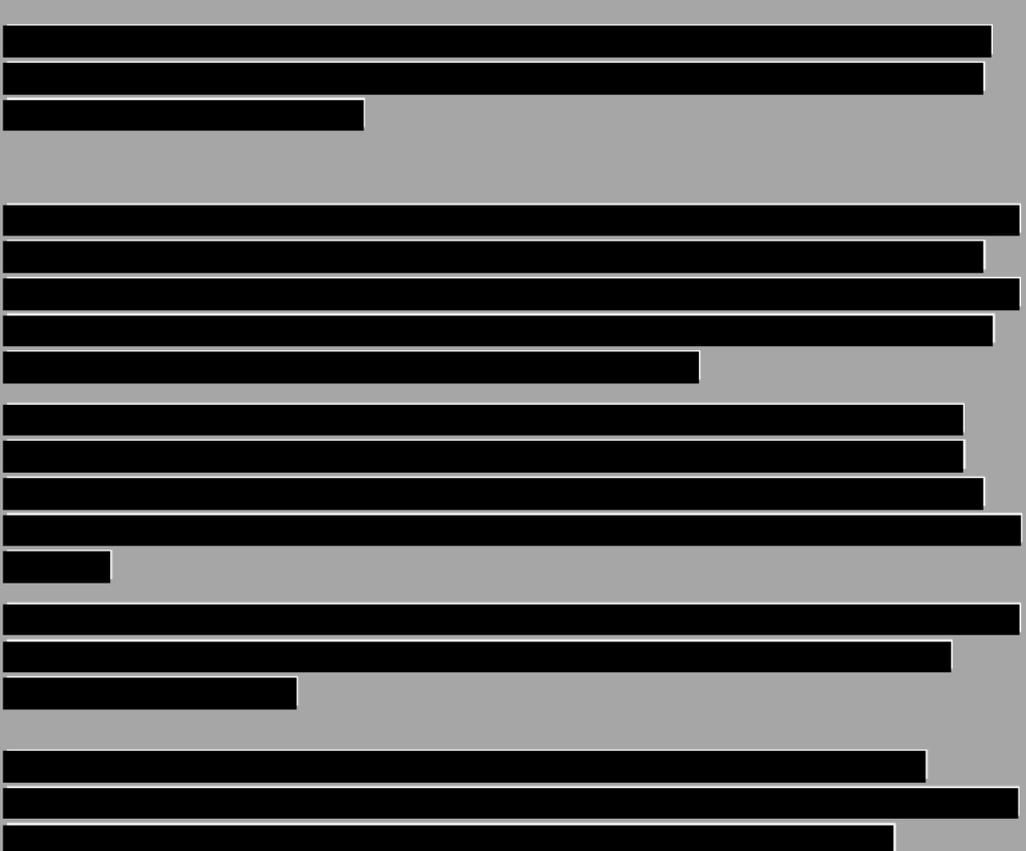
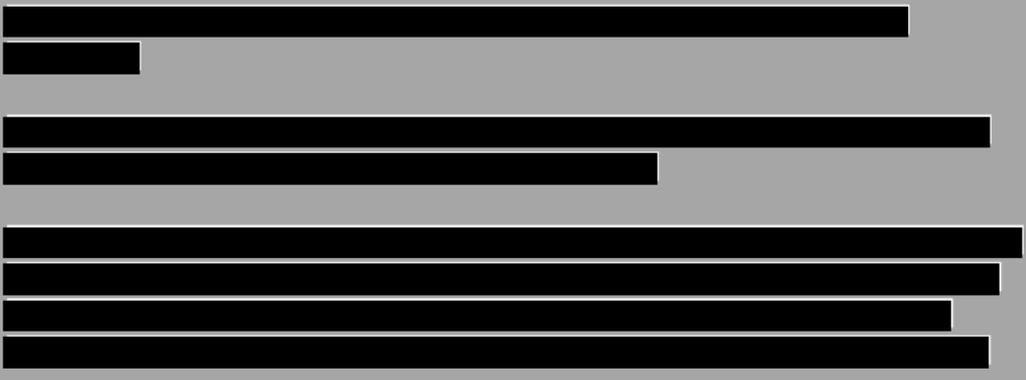
17	2023 Environmental, Social and Governance Report	
37/07/23	<p>CG, Sustainability Lead presented the 2023 ESG report to Board for approval along with the formal adoption of the Sustainability Reporting Standard for Social Housing.</p> <p>The Sustainability Reporting Standard for Social Housing (SRS) was launched in 2020 and developed in partnership with housing providers and endorsed by funders.</p> <p>This standard was used as a basis for annual Environmental, Social and Governance (ESG) reporting for investors to use by those Housing providers who had adopted it. And Plymouth Community Homes were looking to adopt this standard to enable us to produce consistent reports with other landlords using a methodology endorsed by investors.</p> <p>The paper also contains the draft 2023 ESG Report, which is in line with the SRS, and we request approval for publication.</p>	
38/07/23	<p>As a result of questions the following was discussed and clarified:</p> <p>The percentage of board members who have a disability was not included in the information being presented in the governance section of the report. Additionally, the commentary box was empty on how this compares to our residents and staff. It was agreed that this information would be updated.</p> <p>Clarity was also requested on the percentage of board members who were ethically diverse for 2023 and 2022.</p> <p>It was noted that this type of information would form part of the Board's next steps on the Chair's challenge and some of the commitments that would be made would be included in the ESG report for next year.</p> <p>Further clarity was provided Carbon monitoring targets and the difficulty in setting targets for decarbonisation, of which we have no control. Therefore PCH has set targets and objectives on reducing Carbon and monitoring these, in other words being clear on doing what we have said we will do and reporting on it.</p> <p>Further to the questions raised ahead of the Board meeting regarding CEO remuneration not exceeding 10x the rate of pay of the lowest paid full time member of staff. The Board wanted assurance that we were being totally transparent around CEO pay and if it was still no more that this threshold give this year's pay increases.</p>	<p>LR</p> <p>LR</p>

	<p>Assurance was given that this information was correct and that a review of the Remuneration Policy would be brought to Remuneration and Nominations Committee in September to ensure it is still fit for purpose. Clarity was provided that the report detailed both the lowest median figure and lowest paid full time member of staff .</p> <p>Clarity was also provided that within the PCH rules the maximum tenure for Board Membership is 9 years; however we have adopted the NHF Code of Governance which recommends a maximum of 6 years unless there is a specific documented reason.</p>	
39/07/23	<p>The Board approved:</p> <ol style="list-style-type: none"> 1. the formal adoption of the Sustainability Reporting Standard for Social Housing. 2. the 2023 ESG Report. 	
18:35	Break 15 mins	
18	Q1 2023/24 Performance update – redacted as Confidential	
40/07/23	<p>CE, Head of Strategy, Policy and Performance presented the report to the PCH Board to give an update on performance for Q1 2023/24. It was the first time of reporting against the new 2023-2028 Strategic Business Plan and incorporated all of the new regulatory Tenant Satisfaction Measures (TSMs) alongside a range of business performance metrics.</p> <p>For customer perception we were in the top quartile across all measures compared to others, apart from the measure relating to PCH’s contribution to the neighbourhood.</p> <p>There was a change in our repair performance during Q1, with a reduction to 89% of jobs being completed within timeframe. This was split between just under 97% for emergency jobs and over 88% for routine jobs in time.</p> <p>One stage one complaint went over time during the quarter and all stage two complaints were responded to within timeframe.</p>	
41/07/23	<p>Proportion of homes for which all required gas safety checks have been carried out stood at 99.9% at the end of Q1, which represents fourteen properties overdue.</p> <p>The percentage of homes with a valid 5-year electrical test reduced during the quarter to almost 96%. This has been due to a combination of increased no-access and a need for the team to be better supported with data reporting for planning ahead. This is now in place, and we anticipate improved results for Q2.</p>	

	<p>PCH had asbestos management surveys or re-inspections for almost all of homes with the Q1 position at 99.96%. There were 6 properties without a survey.</p> <p>The KPI for legionella showed that just over 86.6% of homes had a risk assessment, a slight improvement on the previous quarter. We continued to refine how we report this measure in line with the guidance.</p> <p>Lift compliance was an improved position of 89.14% compared to 59.49% in the previous quarter. This equates to three lifts.</p> <p>Void re-letting continued to be higher than target as we have seen a slight increase to turnaround times in Q1 to 37.98 for the average number of days to re-let homes. This was in part due to a small number of longer-term voids being re-let which has increased the average position.</p> <p>Rent arrears at year end were at 1.56% of debit which was well within the annual target of 2.0%.</p> <p>Affordable home completions are lower than expected for a variety of reasons but mostly due to slow delivery of S106 projects.</p>	
42/07/23	<p>TG, interim Director of Homes and Neighbourhood gave the Board an overview of the work she and her team have been carrying out particularly in relation to Void turn arounds, Damp and Mould and the short term plans; a summary of which is below:</p> <p>Staff are committed to supporting residents and bring the service level back up. Interim resourcing has been brought in to support this process.</p> <p>Damp and Mould continues to be a concern. [REDACTED] [REDACTED] [REDACTED] [REDACTED]</p> <p>Due to the amount of rain this summer the reduction in the number of cases of Damp and Mould that was expected have not materialised.</p>	
43/07/23	<p>The Void team are reporting that some of the properties being vacated are worse than known before. In response to this they are looking to unpick the data to understand the causes.</p> <p>It had been identified that there were a high number of kitchens and bathrooms that need to be replaced, caused in part by people not wanting the work carried out while they were in their tenancy.</p>	

47/07/23	<p>[Redacted content]</p>	
48/07/23	<p>[Redacted content]</p>	

	<p>[Redacted]</p>	<p>AL</p>
<p>52/07/23</p>	<p>The PCH Board:</p> <ol style="list-style-type: none"> 1. Noted the year-to-date position and forecast outturn to the end of March 2024. 2. Approved the revised budget Development programme capital budget. 	
<p>20</p>	<p>Quarterly Treasury Management Report Q1 2023/24 redacted as Confidential</p>	
<p>53/07/23</p>	<p>JR, Head of Finance presented the report to the Board which gave a summary of Treasury management activity during the first part of 2023/24.</p> <p>[Redacted]</p>	
<p>54/07/23</p>	<p>As a result of questions the following was discussed and clarified:</p>	

		
54/07/23	The PCH Board noted the Treasury Management Activity in the quarter.	
	Item 23 Procurement update was presented here.	
21	 Redacted as confidential	
55/07/23		
56/07/23		

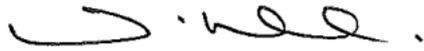
57/07/23	[Redacted]	
58/07/23	[Redacted]	
59/07/23	[Redacted]	
60/07/23	[Redacted]	

	<p>[Redacted]</p>	
22	[Redacted] – redacted as Confidential	
61/07/23	<p>[Redacted]</p>	
62/07/23	<p>[Redacted]</p>	
23	Procurement update	
63/07/23	<p>GR, Head of Procurement presented to the Board the year-end update report on procurement, stores and fleet activity amidst on-going challenging economic circumstances. There were £13.65m of procurement contracts which required delegation to EMT/SMT.</p> <p>The report provided a brief overview of the economic and legislative outlook for procurement at PCH including resourcing and confirmation that there was c£18.m local spend in the past 12 months – with the total spend in Devon and Cornwall being 58%.</p>	

64/07/23	Assurance was given that we would continue to understand the social value that is being obtained from the contracts that we align ourselves with.
65/07/23	<p>The PCH Board:</p> <ol style="list-style-type: none"> 1. Approved the rolling list of contracts/requirements to be tendered and extended and delegates authority for final approval of the contracts to EMT directors or their delegates in accordance with Financial Regulations, indicating any exemptions to the delegation (which will need to have Board approval). 2. Clarification was also provided that the current exemption for the Marlborough House Construction contract was to stay in place.
24	Governance Update
66/07/23	<p>LR, Head of Governance presented the report to the Board with a number of updates and proposals for approval which included:</p> <ul style="list-style-type: none"> • a recommendation for the appointment of a new PCH Board Vice Chair • a proposal for an updated PCH Committee and Subsidiary Chair Board Role Profile and Person Specification in advance of the CFC and ARC Chairs recruitment • confirmation of Board and Committee memberships • a recommendation to appoint our new CEO and our interim Director of Homes and Neighbourhoods to subsidiary Boards • a recommendation for Board member appraisal, to include 360 feedback • an outline of the September Board away day • an updated Board report template
67/07/23	<p>The Board APPROVED:</p> <ol style="list-style-type: none"> 1. the recommendation for the appointment of a new PCH Board Vice Chair (a verbal update on the successful candidate to be provided at the meeting) from 14 September 2023 (PCH AGM) 2. the updated PCH Committee and Subsidiary Board Chair Role Profile 3. the appointment of Jonathan Cowie, CEO, to PCH Energy Board from 1 October 2023 4. the appointment of Tracey Gray, Director of Homes and Neighbourhoods, to PCH Regeneration Board from 1 October 2023 5. the Board member appraisal process

	and NOTED the remainder of the report.	
24	RSH Regulatory Judgements Review	
68/07/23	<p>LR, Head of Governance presented the report, which confirmed that the Board is responsible for compliance with the Regulator of Social Housing (RSH) Economic and Consumer Standards. At the May 2023 meeting, Board assessed compliance with the Standards and was assured that PCH complies.</p> <p>The report provided a review of the 13 regulatory downgrades given to other housing providers by RSH in 2022/23 and provided assurance on our compliance with those areas and that we are learning from others.</p> <p>The overarching reasons for governance downgrades are broadly described by RSH as:</p> <ul style="list-style-type: none"> • lack of regulatory assurance that a robust business planning, risk and control framework was in place • weaknesses in internal controls framework • Board not managing affairs with an appropriate degree of skill, diligence, prudence and foresight <p>Our current regulatory judgment gradings are G1 and V2, and we reported one matter to the regulator for transparency (Woodlands fire safety incident, May 2022 – currently awaiting the outcome from the Fire Service investigation).</p> <p>The report also included a summary of the RSH’s annual Consumer Regulation Review which includes lessons learnt from non-compliance; mostly by local authorities in relation to H&S issues.</p> <p>It was noted that the government had now approved the Social Housing Bill and subsequent RSH consultation on the changes to regulation had been published.</p>	
69/07/23	The PCH Board noted the report.	
25 70/07/23	The next Board meeting is Thursday 19 October 2023 and the Board away day is on 21 September 2023 at Plumer House.	

Redacted as Commercially sensitive or Confidential.



Signature

Valerie Lee – Chair

Date 23/11/2023



Certified as a true copy

Lucy Rickson, Head of Governance

Date 23/11/2023