# South Essex Homes Limited

## Board Meeting

**Date:** Thursday 24th May, 2018  
**Time:** 5:00pm  
**Committee Room 6**

## Board Agenda

<table>
<thead>
<tr>
<th>Item</th>
<th>Lead Person</th>
<th>Indicative Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Welcome and Introductions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Governance and Stewardship Apologies for Absence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Declarations of Interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PUBLIC AGENDA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Minutes &amp; Matters arising from the Board Meeting of 12th March 2018</td>
<td>Roger Eastwood</td>
<td>10 mins</td>
</tr>
<tr>
<td>5. Governance and Stewardship</td>
<td>Beverley Gallacher</td>
<td>15 mins</td>
</tr>
</tbody>
</table>
| 6. Chairs Remarks  
  - NFA Board and Conference  
  - Voids tour feedback  
  - Social prescribing | Roger Eastwood | 10 mins |
<p>| 7. Residents: Voice Your View | Beverley Gallacher | 5 mins |
| 8. Audit &amp; Risk Committee Minutes – 15th May 2018 | David Joyce | 5 mins |</p>
<table>
<thead>
<tr>
<th></th>
<th>Final Budget Position &amp; Performance Exceptions</th>
<th>Daniel Lyons / Chris Vaughan</th>
<th>10 mins</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Update on Resident Involvement and South Essex Community Hub</td>
<td>Mario Ambrose</td>
<td>10 mins</td>
</tr>
<tr>
<td>11</td>
<td>Core Project Update</td>
<td>Group Managers</td>
<td>10 mins</td>
</tr>
<tr>
<td>12</td>
<td>Date of Next Meeting – 11th July, 2018</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
South Essex Homes Limited  
Minutes of Board Meeting  
Date: 12\textsuperscript{th} March 2018  
Time: 5pm  
Committee Room 5, Civic Centre

\textbf{Present:} Roger Eastwood - Chair of the Board; Meg Davidson - Vice-Chair of the Board; David Joyce; Sacha Jevans; Keith Ducker; Rosalind Lane; Barbara Lambert; Chris March (Agenda item 4 – onwards)

\textbf{In Attendance:} Mike Gatrell - Chief Executive; Mario Ambrose - Executive Director; Chris Vaughan - Director of Business Development; Beverley Gallacher - Company Secretary; Hannah Moxsom - Corporate Services Officer; Traci Dixon - Group Manager; Daniel Lyons - Financial Services Manager; Sarah Lander – Project Manager

Observers: 1

<table>
<thead>
<tr>
<th>Action</th>
<th>Agenda Item No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Welcome and Introductions</td>
</tr>
<tr>
<td>1.1</td>
<td>Roger Eastwood, Chair of the Board, welcomed and introduced those present.</td>
</tr>
<tr>
<td>2.</td>
<td>Apologies for absence</td>
</tr>
<tr>
<td>2.1</td>
<td>Apologies for absence were received and accepted from David Norman, David McGlone and Michael Oxley.</td>
</tr>
<tr>
<td>3.</td>
<td>Declaration of Interest</td>
</tr>
<tr>
<td>3.1</td>
<td>Roger Eastwood declared an interest in 2.1.1 of Agenda Item 8 regarding Governance and Stewardship.</td>
</tr>
<tr>
<td>3.2</td>
<td>Mike Gatrell declared an interest in 2.1.4 of Agenda Item 8 regarding Governance and Stewardship.</td>
</tr>
<tr>
<td>3.3</td>
<td>Beverley Gallacher declared an interest in 2.1.5 of Agenda Item 8 regarding Governance and Stewardship.</td>
</tr>
</tbody>
</table>
### 4. Board Member Appointments

**Recommendation:**
To Board agreed the recommendation of the Board Selection Panel to appoint Christopher March to the Board of South Essex Homes for a term of office until 1\(^{st}\) March, 2021.

### 5. Minutes and Matters Arising from the Board Meeting of 6\(^{th}\) December 2017

**Recommendation:**
The minutes of 6\(^{th}\) December 2017 were agreed as a true and accurate record of the meeting.

### 6. Chair’s Remarks

6.1 **Resident Awards Ceremony – 2\(^{nd}\) February**
RE advised that he and MD had attended this event and that it was a very positive evening and very well attended. MG advised that the event received very positive feedback and that those involved were very appreciative.

6.2 **Liaison Meeting – 20\(^{th}\) February**
RE advised he had attended this quarterly meeting with MD and MG at SBC. This was a constructive meeting with the new SBC Chief Executive. The good working relationship between SBC & SEH is being maintained and partnership approach is valued. The strategic theme is the development of SEH and the future management agreement with SBC.

6.3 CV will also be speaking to the SBC about other business opportunities SEH can offer do for them.

6.4 **NFA Annual Conference – 3\(^{rd}\) & 4\(^{th}\) May**
RE, advised that he and some of the SMT will be attending this event and he will feedback to the Board.

6.5 **Telecare accreditation**
RE advise that Careline have once again received their Telecare Services Accreditation

6.5 TD advised that all recommendations from the accreditation assessment had been picked up pre-assessment and work will continue to improve and meet these recommendations

6.6 **Southend Community HUB**
RE advised that SBC has awarded the South Essex Community Hub a £120K per annum contract for managing the hubs. KD also advised that the Disability Partnership Group will now also be available at the Victoria Hub once a week.
<table>
<thead>
<tr>
<th>7.</th>
<th>Residents: Voice Your View</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1</td>
<td>RE asked the resident present as an observer at the meeting, if he was satisfied with the response given to his query.</td>
</tr>
<tr>
<td>7.2</td>
<td>The Board agreed that Paul Longman would meet personally with the resident in question to discuss this issue in detail when he returns from holiday and look at options available to resolve.</td>
</tr>
<tr>
<td>8.</td>
<td>Governance &amp; Stewardship</td>
</tr>
<tr>
<td>8.1</td>
<td>MG summarised background and confirmed that the South Essex Property Services (SEPS) Board have made several recommendations as detailed within the report to streamline and improve the governance arrangements for the Company and their relationship with South Essex Homes.</td>
</tr>
<tr>
<td>8.2</td>
<td>DJ explained that the SEPS Board wants to utilise the experience of the SEH Committees already established, rather than setting up Committees within SEPS individually. MG advised that as SEPS grows then it could implement its own Committees at any stage in the future.</td>
</tr>
<tr>
<td>8.3</td>
<td>BG advised that the Articles of Association for each Company will have to be amended and approved by the SEPS Shareholders and the Council.</td>
</tr>
<tr>
<td>8.4</td>
<td><strong>Recommendations:</strong></td>
</tr>
<tr>
<td>i)</td>
<td>The Board agreed the appointment of Roger Eastwood as the South Essex Homes Board representative on the National Federation of ALMOs Board.</td>
</tr>
<tr>
<td>ii)</td>
<td>The Board agreed the Terms of Reference for the Audit &amp; Risk Committee as recommended by the Committee as contained at Appendix 1.</td>
</tr>
<tr>
<td>iii)</td>
<td>The Board agreed the Terms of Reference of the Personnel and Remuneration Committee as recommended by the Committee as contained at Appendix 2.</td>
</tr>
<tr>
<td>iv)</td>
<td>The Board agreed that the Chief Executive of South Essex Homes is appointed to the Board of South Essex Property Services (SEPS) as an Executive Director to be formally agreed by the Shareholders</td>
</tr>
<tr>
<td>v)</td>
<td>The Board agreed that the Company Secretary of South Essex Homes is appointed to the position of Company Secretary for SEPS to be formally agreed by the Shareholders</td>
</tr>
<tr>
<td>vi)</td>
<td>The Board agreed to establish Joint Committees between SEPS and South Essex Homes as recommended by the SEPS.</td>
</tr>
<tr>
<td>vii)</td>
<td>The Board noted the Board development programme is being</td>
</tr>
</tbody>
</table>
captured with the Company’s overarching Organisational
Development Action Plan and will be reported in due course.

<table>
<thead>
<tr>
<th>9.</th>
<th>Company Assurance Report as at 31\textsuperscript{st} January 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1</td>
<td>DL summarised the report and the asked for any questions.</td>
</tr>
<tr>
<td>9.2</td>
<td>CM queried why SEH had been forecast to make a loss in 2017/18. DL &amp; MG explained that the deficit position was prudent forecasting for a one year period whilst restructuring proposals were recommended and agreed by the Board and consultation undertaken with staff members for proposals to be in place July, 2018. In approving the budget for 2017/18 the Board had approved the use of balances to fund any “in year” deficit.</td>
</tr>
<tr>
<td>9.3</td>
<td>DJ queried the negative figure on write-offs. DL explained that this is due to previous write-off money being recovered and therefore written back on to rent accounts.</td>
</tr>
<tr>
<td>9.4</td>
<td>DJ queried V22 having a decimal figure. BG advised that this is year to date average.</td>
</tr>
<tr>
<td>9.5</td>
<td>CM asked about KP7 and the void loss impact. It was agreed that a more detailed information would be brought to the next Board Away Day.</td>
</tr>
<tr>
<td>9.6</td>
<td>RE advised that is would be beneficial for Board Members to view some voids and see a property before and after works. It was agreed to add this to the induction tour</td>
</tr>
<tr>
<td>9.7</td>
<td><strong>Recommendations:</strong></td>
</tr>
<tr>
<td></td>
<td>i) The Board noted the update provided on financial information as at 31\textsuperscript{st} January, 2018 as noted by the Audit and Risk Committee.</td>
</tr>
<tr>
<td></td>
<td>ii) The Board noted the Key Performance Indicator exceptions as at 31\textsuperscript{st} January, 2018.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>10.</th>
<th>Budget Proposals 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1</td>
<td>DL summarised the report and advised that the forecasting/budgeting for 2018/19 will stay within available resources plus making a surplus.</td>
</tr>
<tr>
<td>10.2</td>
<td>CV advised that all Careline income that previously went to SBC will now come to SEH.</td>
</tr>
<tr>
<td>10.3</td>
<td><strong>Recommendations:</strong></td>
</tr>
<tr>
<td></td>
<td>i) The Board approved the Management Fee of £5,618k as recommended by the Audit and Risk Committee.</td>
</tr>
<tr>
<td></td>
<td>ii) The Board approved the Service Charge Income of £3,562k as</td>
</tr>
</tbody>
</table>
### iii)

**recommended by the Audit and Risk Committee.**

The Board approved the proposed items of one off expenditure amounting to £354,671 that can be met from a budgeted surplus within the year, as recommended by the Audit and Risk Committee.

<table>
<thead>
<tr>
<th>11.</th>
<th>Health &amp; Safety Compliance Statement and Fire Safety Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.1</td>
<td>RE queried 4.6 of the report. MA explained that Longbow was the first block to have the fire safety improvements carried out. In future all blocks will be checked annually.</td>
</tr>
<tr>
<td>11.2</td>
<td>CM queried 4.1 regarding access not given by a leaseholder for fire safety works. MA advised that all other properties had been completed and the issue with one leaseholder was being dealt with.</td>
</tr>
<tr>
<td>11.3</td>
<td>BL advised that residents need to understand why the areas need to be sterile within Sheltered Schemes.</td>
</tr>
<tr>
<td>11.4</td>
<td><strong>Recommendations:</strong></td>
</tr>
<tr>
<td></td>
<td>i) The Board are asked to note the current position in relation to the fire safety initiatives and note the content of the Compliance Statement.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>12.</th>
<th>Strategies &amp; Policies Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.1</td>
<td>DJ queried if there were any limitations set under the Reward &amp; Recognition policy. SL advised that any rewards are very minor in monetary value (1/2 day leave or £15 vouchers).</td>
</tr>
<tr>
<td>12.2</td>
<td>BG advised the following changes to the Risk Management Strategy,</td>
</tr>
<tr>
<td></td>
<td>- P99, very first point shouldn’t it say “risk management is embedded...”</td>
</tr>
<tr>
<td></td>
<td>- P99, very last point should say “approval and adoption”, not “approve and adoption”</td>
</tr>
<tr>
<td>12.3</td>
<td>RE asked whether it is necessary to have a three stage complaints process in the Complaints Policy and Procedure. SJ agreed that a two stage process should be sufficient to deal with a complaint and the third stage should be the Ombudsman. SL to review</td>
</tr>
<tr>
<td>12.4</td>
<td><strong>Recommendations:</strong></td>
</tr>
<tr>
<td></td>
<td>i) The Board noted updates made to the following policies and strategies:</td>
</tr>
<tr>
<td></td>
<td>- Comments, Compliments and Complaints Policy</td>
</tr>
<tr>
<td></td>
<td>- Compensation Policy</td>
</tr>
<tr>
<td></td>
<td>- Safeguarding Adults Policy 2018-2021</td>
</tr>
<tr>
<td></td>
<td>- Safeguarding Children Policy 2018-2021</td>
</tr>
</tbody>
</table>
## External Communications Strategies 2018-2021
## Internal Communications Strategy 2018 - 2021
## Reward and Recognition Strategy 2018-2021
## Risk Management Strategy

### ii)

The Board approved the amended Strategies and Policies, and requested the Complaints Policy be reviewed and referred to the Board for adoption.

### iii)

The Board approved the Risk Management Strategy as recommended by the Audit and Risk Committee.

### 13. Annual Performance Targets 2018/19 / Final Benchmarking Results

13.1 BG addressed DJ question in relation to mental health & staff absence. BG advised that a report went to Personnel and Remuneration Committee.

13.2 DJ queried R14 (FTA arrears) and R66b (Tenants in arrears over 7 weeks). DJ asked what the arrears procedure is in relation to arrears value. SP to update the Board electronically.

13.3 DJ commented on the low level of repairs complaints and praised officers for this.

13.4 **Recommendation:**

i) The Board noted the outcomes of the performance Benchmarking exercise for 2016/17 as shown at Appendix 1 with year to date performance and proposed targets.

ii) The Board noted the outcomes of the Value for Money Benchmarking exercise for 2016/17 as shown at Appendix 2

iii) The Board agreed the targets for performance indicators as discussed with Southend Borough Council and as recommended by the Audit & Risk Committee as contained in Appendix 1, and as shown with year to date performance for 2017/18

iv) The Board noted the complaints information for 2017/18 as shown at Appendix 3

### 14. Date of Next Meeting – 24th May 2018

### 15. The meeting finished at 18:40
South Essex Homes Board Matters Arising – 12th March 2018

Public

7.2 - Resident Voice Your View: The Board agreed that Paul Longman would meet personally with the resident in question to discuss this issue in detail when he returns from holiday and look at options available to resolve.

Paul Longman has met with the resident to confirm for following:

While the key fobs allow residents to access their properties through all 4 doors, visitors do currently need to use the door entry system relating to the particular block when they require access since there are two separate door entry systems in operation.

The resident has confirmed that signs were erected to advise visitors what door entry system accesses which properties so it does seem the problem has been reduced.

While there are no upgrade plans for these door entry systems at the current time, when the systems are replaced consideration will be to altering the door entry systems to allow visitors to access the block through all four doors.

9.5 - CM asked about KP7 and the void loss impact. It was agreed that more detailed information would be brought to the next Board Away Day.

This has been added to the agenda for the Board Away Day on 11th July 2018 will reflect this information.

9.6 - RE advised that it would be beneficial for Board Members to view some voids and see a property before and after works. It was agreed to add this to the induction tour.

All Board members were invited to attend a Borough and void tour on 17th May 2018, to join Chris March on his induction.

11.3 - BL advised that residents need to understand why the areas need to be sterile within Sheltered Schemes.

TD has written to all residents who have specifically asked and will be discussing with the Health and Safety officer how to communicate this information to residents generally.

12.3 - RE asked whether it is necessary to have a three stage complaints process in the Complaints Policy and Procedure. SJ agreed that a two stage process should be sufficient to deal with a complaint and the third stage should be the Ombudsman. SL to review

SL has reviewed the policy and made changes which were agreed by the Board under Chairs Action on 27th March 2018.
13.2 - DJ queried R14 (FTA arrears) and R66b (Tenants in arrears over 7 weeks). DJ asked what the arrears procedure is in relation to arrears value. SP to update the Board electronically.

The Board were updated electronically via email on 5th May 2018

13.3 - DJ commented on the low level of repairs complaints and praised officers for this.

Officers were updated
South Essex Homes Limited

Report of Group Manager Resources and Business Development to The Board on 24th May, 2018

Governance and Stewardship

A Public Agenda Item

1 Purpose of Report

1.1 To obtain agreement from the Board on governance related issues.

2 Recommendations

2.1 The Board are recommended:

2.1.1 To agree the appointment and re-appointment of the Council nominees for a period of one year in accordance with the Articles of Association.

2.1.2 To agree the Annual Governance Statement as recommended by the Audit and Risk Committee (contained at Appendix 5)

2.1.3 To note that the Shareholders of South Essex Property Services have agreed to the proposed amendments to the Company’s Articles of Association and to agree to commence a review of the South Essex Homes Articles of Association in line with these changes for consistency.

2.1.4 To note the Chairs Action agreed by the Chair and Vice Chair in accordance with the Code of Governance for approval of the Complaints and Compliments Policy and Tender for Careline Call Monitoring and Out of Hour call handling for Bedfordshire County Council.

3 Background

3.1 Board Appointments

3.1.1 The Council met on the 17th May to agree the nominees for the Board of South Essex Homes for a further period of one year. At the point of writing
this report and despatch of the papers the names of those individuals was unknown. An oral update on the nominees will be provided at the meeting

3.2 **South Essex Property Services Governance Review**

3.2.1 At the Shareholder Meeting earlier today, the shareholders of South Essex Property Services considered amendments to the Articles of Association. In order to ensure consistency within the Group of Companies, it is now necessary to review the Articles of Association for South Essex Homes along with the Code of Governance. The Council will be required to agree the changes to the Articles of Association in due course. In order to ensure that compliance with Company Law is achieved, the Company Secretary will make all of the necessary changes and Essex Legal Services (ELS) will be appointed to give assurance for the proposed changes. The Board will receive amendments for agreement at their next meeting on 11th July, 2018.

3.3 **Chairs Actions**

3.3.1 The Chair and Vice Chair of the Board have agreed four Chairs Actions for the period from 12th March, 2018 until 24th May, 2018.

- Approval of the Complaints and Compliments Policy following amendments discussed at the Board Meeting on 12th March, 2018 around the number of stages required for complaints. (Appendix 1)

- Approval of the tender for Bedfordshire County Council Careline and Out of Hours service. (full details contained at Agenda Item 15) (Appendix 2)

- Approval to continue the Service level Agreement with Castle Point Borough Council until 31st March 2019, and agree that we will have £1 million professional Indemnity cover with the proviso that should said cover be exceeded, the company will cover the difference (Appendix 3)

- Approval to pay the top up sum of £418,783.91 in relation to the revised extension to the repairs contract between Kiers and South Essex Homes following approval by the Council to increase the schedule of rates by 23% as detailed in reports to the Board at the last meeting on 12th March, 2018. The scheme of delegation requires approval by the Board to enable the Chief Executive and any other member of the Senior Management Team to approve an invoice over the sum of £350,000.- (Appendix 4)

3.4 **Annual Governance Statement**

3.4.1 The Audit and Risk Committee met on 15th May, 2018 and agreed the Annual Governance Statement for 2018/19. Following the meeting the External
Auditors requested some minor changes to the External Auditor section within the Statement that are tracked on Appendix 5 below. The Annual Governance Statement and associated action plan will be included within the Council’s final account information for their meeting on 15th June, 2018.

4 Equality and Diversity

4.1 All equality and diversity issues identified from the proposals contained in this report have been considered and are in accordance with the South Essex Homes Equality and Diversity Policy.

5 Risk

5.1 Any risks identified from the proposals contained in this report have been considered by the Senior Management Team. The Board have identified risks associated with the governance of the organisation within statutory regulations.

6 Financial Implications

6.1 Not applicable for this particular report.

7 Resident Consultation

7.1 Not applicable for this particular report.

8 Background Papers

8.1 South Essex Property Services Articles of Association

9 Appendices

9.1 Appendix 1 - Chairs Action dated 27th March, 2018 (Complaints and Compliments)
9.2 Appendix 2 - Chairs Action dated 15th May, 2018 (Bedfordshire Tender)
9.3 Appendix 3 - Chairs Action dated 14th March, 2018 (CPBC)
9.4 Appendix 4 - Chairs Action dated 16th April, 2018 (Financial Regulations)
9.5 Appendix 5 – Annual Governance Statement 2017/18
9.6 Appendix 6 – Annual Governance Action Plan 2018/19
Appendix 1 to Agenda Item 5 - Chairs Action dated 27th March, 2018 (Complaints and Compliments)

Dear Bev,

Apologies - your earlier email must have "slipped through the net".

I am happy to approve the revised complaints and compliments policy.

Best wishes
Meg Davidson

Cllr Meg Davidson
Councillor for Prittlewell Ward

Southend-on-Sea Borough Council
01702 212351 (Direct) | cllrdavidson@southend.gov.uk | www.southend.gov.uk

Southend-on-Sea Borough Council | Civic Centre | Victoria Avenue | Southend-on-Sea
SS2 6ER

On 15 May 2018, at 11:53, Beverley Gallacher <BeverleyGallacher@seh.southend.gov.uk> wrote:

Hi Meg,

I am just finalising my governance report and I do not appear to have received confirmation from you on the approval of the complaints and compliments policy under Chairs Actions. This was where we agreed to reduce the amount of stages for complaints.

I would be really grateful if you could confirm by return.

Thanks
Beverley

Beverley Gallacher | Group Manager Resources & Business Development | Corporate Services | South Essex Homes | Civic Centre | Victoria Avenue | Southend-on-Sea | SS2 6FY | phone: 01702 212649 | email beverleygallacher@seh.southend.gov.uk

Thanks Beverley

I'm happy to approve this policy which has been revised as agreed at the Board.

Roger

Sent from my iPad

On 5 Apr 2018, at 14:08, Beverley Gallacher <BeverleyGallacher@seh.southend.gov.uk> wrote:
Dear Both

In accordance with Clause 5 of the Code of Governance I seek Chairs Action for the approval of the Compliments Comments and Complaint Policy that was requested for amendment by the Board. The amendment relating to the number of stages of complaints has been amended and the policy finalised.

Please find the Policy attached for your information.

Best Regards

Beverley

South Essex Homes Limited is the Arms Length Management Organisation of Southend on Sea Borough Council Registered in England and Wales

Registered Office: South Essex Homes Ltd, Civic Centre, Victoria Avenue, Southend on Sea, Essex, SS2 6FY, Registration Number: 05453601, VAT Registration No: 864 0939 01.

The information in this e-mail and any attachments is confidential and may be subject to legal professional privilege. It is intended solely for the attention and use of the named addressee(s). If you are not the intended recipient, please notify the sender immediately. Unless you are the intended recipient or his/her representative you are not authorised to, and must not, read, copy, distribute, use or retain this message or any part of it.

At present the integrity of e-mail across the Internet cannot be guaranteed and messages and documents sent via this medium are potentially at risk. You should perform your own virus checks before opening any attachments. All liability is excluded to the extent permitted by law for any claims arising from the use of this medium by Southend Borough Council.

<2018 Comments Compliments and Complaints Policy final.doc>
Appendix 2 to Agenda Item 5 - Chairs Action dated 15\textsuperscript{th} May 2018 (Bedfordshire Tender)

From: CllrDavidson
Sent: 16 May 2018 11:53
To: Beverley Gallacher
Cc: Roger Eastwood
Subject: Re: Chairs Action

Dear Bev

Just to confirm that I support the proposal to tender for this contract on the terms detailed in your email below.

Best wishes
Meg Davidson

Cllr Meg Davidson
Councillor for Prittlewell Ward

Southend-on-Sea Borough Council

01702 212351 (Direct) | cllrdavidson@southend.gov.uk | www.southend.gov.uk

Southend-on-Sea Borough Council | Civic Centre | Victoria Avenue | Southend-on-Sea
SS2 6ER

From: Roger Eastwood [mailto:rogerceastwood@gmail.com]
Sent: 16 May 2018 08:51
To: Beverley Gallacher
Cc: CllrDavidson; Chris March; Keith Ducker; Rosalind Lane; Sacha Jevans; Michael Oxley; David Joyce; CllrMcGlone; CllrDNorman; barbara lambert
Subject: Re: Chairs Action

Thanks Beverley

I am happy for this bid to go ahead.

Roger

Sent from my iPhone

On 15 May 2018, at 16:12, Beverley Gallacher <BeverleyGallacher@seh.southend.gov.uk> wrote:
From: Beverley Gallacher  
Sent: 15 May 2018 16:13  
To: Roger Eastwood; CllrDavidson  
Cc: 'Chris March'; 'Keith Ducker'; Rosalind Lane; 'Sacha Jevans'; Michael Oxley; 'David Joyce'; CllrMcGlone; CllrDNorman; 'barbara lambert'  
Subject: Chairs Action  

Dear Roger and Meg,

The Chair and Vice are asked to approve the following Chairs Action due to a timing issue and to enable us to tender for a Careline Alarm Monitoring and Out of Hours Service.

The Board will be updated on this tender within the New Business confidential update on 24th May, 2018.

Bedfordshire Careline and OOH Tender

Each day we review our opportunities tracker facility to ascertain if there are opportunities within the market that fall within existing business lines. An opportunity for a community alarm monitoring, response and call handling and the provision of community alarm equipment and other assistive technology has come to the market for a value of around £300k for a two year period plus an option for a one year extension. The closing date for the bid is 18th May. In order to progress this opportunity we made an expression of interest and are seeking from the Board via Chairs Action, with full circulation to all of the Board to enable other opinions to be sought.

The contract is split into two lots (we are only tendering for Lot 1 as follows ). A community alarm service operating 1500 active alarm connections for older people in 13 supported housing schemes, 13 mini groups of intensive supported housing and older people living in an extra care scheme of mixed tenure, and finally general needs accommodation within the Bedfordshire area. In addition the contact includes an out of hour’s service for repairs, homelessness, building control and environmental telephone call handling for a stock size of 5,219 homes.

The monitoring of 1500 community alarm calls will also provide a response 24/7 to any customer who triggers an alarm. This could be a physical presence, which may be the next of kin, emergency services or the Assisted Living Staff working directly for Bedfordshire County Council.

There are additional requirements of the tender including, pro-active wellbeing checks, lone working monitoring, and emergency access to buildings, which have been included within our pricing schedule.

The contract is due to start in September 2018 for a 2 year period with the option to extend by a further one year. The costs are fixed for the duration of the contract and we have built in any uplifts for the 3 year period in our pricing.
Appendix 2 to Agenda Item 5 - Chairs Action dated 15th May 2018 (Bedfordshire Tender)

Pricing for the contract has been produced by the Financial Services Manager and reviewed by the Group Manager for Resources and Business Development and the Director of Business Development. The pricing has been based on a price of £1.90 per week for each unit which includes the actual costs of delivering the service plus a share of Company overheads.

The pricing does not include a profit margin to be attributed to the pricing at this stage. However, at the level of 12000 lines being monitored overheads will be spread more widely and a new pricing structure will at that point be able to include a profit margin.

The Board should be aware that as our first attempt to tender for a call monitoring service within the market, we believe that we may not be successful in relation to this specific offer. However, our pricing is fairly competitive and the exercise is being used to give us data to deliver improved offers in the coming months.

This pricing schedule enables us to build our capacity with an increase in the number of lines, use existing capacity, particularly within the night rota and increase to a point that enables spread of overheads to enable us to compete more actively against other larger careline operators including Age Concern and CareLine24.

The Chair and Vice are asked to agree the tender for this contract on the basis above, which falls within existing business lines managed by South Essex Homes.

Best Regards
Beverley

Beverley Gallacher| Group Manager Resources & Business Development| Corporate Services | South Essex Homes | Civic Centre | Victoria Avenue | Southend-on-Sea | SS2 6FY | phone: 01702 212649| email beverleygallacher@seh.southend.gov.uk

South Essex Homes Limited is the Arms Length Management Organisation of Southend on Sea Borough Council Registered in England and Wales

Registered Office: South Essex Homes Ltd, Civic Centre, Victoria Avenue, Southend on Sea, Essex, SS2 6FY, Registration Number: 05453601 , VAT Registration No: 864 0939 01.

The information in this e-mail and any attachments is confidential and may be subject to legal professional privilege. It is intended solely for the attention and use of the named addressee(s). If you are not the intended recipient, please notify the sender immediately. Unless you are the intended recipient or his/her representative you are not authorised to, and must not, read, copy, distribute, use or retain this message or any part of it.

At present the integrity of e-mail across the Internet cannot be guaranteed and messages and documents sent via this medium are potentially at risk. You should perform your own virus checks before opening any attachments. All liability is excluded to the extent permitted by law for any claims arising from the use of this medium by Southend Borough Council.
Appended 3 to Agenda Item 5 - Chairs Action dated 14th March, 2018 (CPBC)

From: rogerceastwood@gmail.com [mailto:rogerceastwood@gmail.com]
Sent: 13 March 2018 18:43
To: CllrDavidson
Cc: Sarah Lander
Subject: Re: Chairs Action PI for Castle Point BC

Agreed. I talked though the potential risks yesterday with Mario.

Roger

Sent from my iPad

On 13 Mar 2018, at 16:51, CllrDavidson <CllrDavidson@southend.gov.uk> wrote:

Good afternoon

I agree with the proposal put forward by Mario.

Best wishes

Meg Davidson

Cllr Meg Davidson

Councillor for Prittlewell Ward

Southend-on-Sea Borough Council

01702 212351 (Direct) | cllrdavidson@southend.gov.uk | www.southend.gov.uk

Southend-on-Sea Borough Council | Civic Centre | Victoria Avenue | Southend-on-Sea SS2 6ER

On 13 Mar 2018, at 16:10, Sarah Lander <SarahLander@seh.southend.gov.uk> wrote:

Good afternoon Roger and Meg

Mario has asked me to forward his email below as a matter under Chairs Action.

Please can you confirm that you are in agreement with Mario’s proposal.

Thanks in advance.

Sarah

Sarah Lander

Corporate Services Project Manager | South Essex Homes | 3rd Floor | Civic Centre | Victoria Avenue | Southend-on-Sea | SS2 6FY | phone: 01702 212698 | fax: 01702 236165 | email sarahlander@seh.southend.gov.uk

Please note our Postal Address is South Essex Homes, PO Box 5817, Southend on Sea, SS1 9EL
Dear Roger and Meg,

I write to you as the Chair and Vice Chair of the Board of South Essex Homes.

At their meeting on the 15th March 2017, the Board agreed to the re-negotiation of the Service Level Agreement with Castle Point Borough Council (CPBC) for the continuation of the property services work for a further 2 year period until March, 2019.

By the end of March 2018 we would have completed another year of the SLA, and I am pleased to advise that Castle Point BC have confirmed that they wish to continue with the contract for a further twelve months.

However they had requested that the professional indemnity insurance that South Essex Homes should have must be £5 million. We investigated this but were unable to obtain this level of insurance due in part to the post Grenfell situation. We have previously had £1 million and so went back to Castle Point BC, to try and resolve the issue. After some debate Castle Point BC said they would accept £2 million, however when we approached our insurance section for quotes we were told this would cost circa £14,000.00 per annum, which we have not allowed for in the SLA fee. We discussed this matter with the Council’s Insurance manager and she stated that the risk of a claim was marginal and for a single claim to be in excess of £1 million given the service we provide to Castle Point BC was also minimal. She also advised that most claims were for Public Liability and in these instances South Essex Homes comes under the Council’s insurance which is for £50 million.

We asked Castle Point BC to advise us under what circumstances they felt that a claim in excess of £1 million was likely to occur but they could not provide this information. But after seeking advice from their legal advisors they have told us that as a compromise they would continue to accept £1 million on the proviso that should any single claim exceed £1 million, South Essex Homes would cover the difference. Once again we discussed this with the Council’s Insurance Manager and their advice was the same as they had previously informed us. It would therefore seem the risk is minimal and can be further mitigated by ensuring that South Essex Homes only undertakes work that it has the professional expertise to execute. We will add this to the risk register.

Given that we have reached this point in the negotiations only recently and therefore not had time to take a formal report to the Board meeting of the 12th March 2018, and the next Board meeting is not until May 2018. I would request In accordance with Clause 5.5 of the Code of Governance of South Essex Homes that you agree under Chairs Actions that we continue the Service level Agreement with Castle Point Borough Council until 31st March 2019, and agree that we will have £1 million professional Indemnity cover with the proviso that should said cover be exceeded, the company will cover the difference.

Regards Mario
From: CllrDavidson  
Sent: 20 March 2018 09:54  
To: Beverley Gallacher  
Cc: Roger Eastwood  
Subject: Re: Chairs Action

Dear Bev,

Just to confirm that I am in agreement with the proposal to make this payment.

Best wishes

Meg Davidson

Cllr Meg Davidson
Councillor for Prittlewell Ward

Southend-on-Sea Borough Council
01702 212351 (Direct) | cllrdavidson@southend.gov.uk | www.southend.gov.uk

Southend-on-Sea Borough Council | Civic Centre | Victoria Avenue | Southend-on-Sea SS2 6ER

From: Roger Eastwood  
Sent: 19 March 2018 17:47  
To: Beverley Gallacher  
Cc: CllrDavidson; Mike Gatrell; Daniel Lyons  
Subject: Re: Chairs Action

I am happy to approve this extension and amount payable on the basis that appropriate Council decision making processes have been followed.

Regards

Roger Eastwood  
Chair  
South Essex Homes Ltd

Sent from my iPhone

On 19 Mar 2018, at 15:09, Beverley Gallacher <BeverleyGallacher@seh.southend.gov.uk> wrote:

Dear Roger and Meg,

In accordance with Clause 5.5 of the Code of Governance we require authority by way of Chairs Action to pay the top up sum of £418,783.91 in relation to the revised extension to the repairs
Appendix 4 to Agenda Item 5 - Chairs Action dated 16th April 2018 (Financial Regulations)

contract between Kiers and South Essex Homes following approval by the Council to increase the schedule of rates by 23% as detailed in reports to the Board at the last meeting on 12th March, 2018.

The scheme of delegation requires approval by the Board to enable the Chief Executive and any other member of the Senior Management Team to approve an invoice over the sum of £350,000. Therefore, on that basis I would be grateful if you could confirm by return your agreement to this payment that needs to be paid in advance of the end of the financial year.

I look forward to hearing from you.

Best Regards
Beverley

Beverley Gallacher| Group Manager Resources & Business Development| Corporate Services | South Essex Homes | Civic Centre | Victoria Avenue | Southend-on-Sea | SS2 6FY | phone: 01702 212649| email beverleygallacher@seh.southend.gov.uk
### 1. Scope of responsibility

**South Essex Homes**

South Essex Homes (SEH), formed in October 2005, is the Arm’s Length Management Organisation of Southend-on-Sea Borough Council, responsible for the management and maintenance of the Council’s homes. It was financed by a Management Fee in 2017/18, from the Council, of £5,827k, a Service Charge Fee of £3,412k together with income from external organisations of 660k.

There is a formally binding Management Agreement between the Council and SEH and this clearly sets out the governance arrangements that should apply between the two parties. This complies with national best practice.

SEH is managed by a Board comprising three Council nominees, three tenants and five independent members. The Board is ultimately responsible for ensuring that SEH establishes and maintains a sound system of internal control appropriate to the various business environments in which it operates. Committees reporting to the Board include Audit & Risk Committee, New Business Committee and Personnel and Remuneration Committee. In addition, the commercial subsidiary – South Essex Property Services Ltd reports directly to its parent company.

### 2. The purpose of the Governance Framework

Good governance leads to good management, good performance, good stewardship, good public engagement, and ultimately good outcomes for citizens and service user. Good governance enables the company to pursue its vision effectively, as well as underpinning that vision with mechanisms for control and management of risk.

The governance framework comprises the systems, processes, culture and values, by which the company is directed and controlled and its activities through which it accounts to, engages with and serves the community. It enables the company to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to an acceptable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the company’s policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised; and to manage them efficiently, effectively and economically.

### 3. The Governance Framework

The key elements of the Governance Framework are:
Appendix 5 to Agenda Item 5 - Annual Governance Statement 2017-18

- Consultation and Engagement
- Business Planning and Strategy
- Financial Reporting including Budgetary Management
- Asset Management
- Risk Management including Fraud, Corruption and Bribery, Confidential Reporting as well as Health and Safety
- Business Continuity
- Performance Managing, service delivery and people
- Information Management Security
- Procurement
- Project Management
- Complaints
- Ethical Governance including Codes of Conduct
- Data Quality
- Workforce Management

The company sets out its expectations with regard to:

- corporate governance, within the Articles of Association, Code of Governance and Financial Regulations and Scheme of Delegation

The company then:

- maintains a business planning process that cascades throughout the organisation, supporting service plans and key actions to enable SEH to achieve its ambitions and aspirations as set out in the Vision 2022 Business Plan
- prepares forecasts and budgets that allow the Committees and the executive officers to monitor the key business risks and financial objectives and identify variances arising during the monthly reporting cycle
- operates professionally compliant recruitment and appraisal processes to ensure that:
  - it employs suitably qualified and experienced staff to take responsibility for key areas of the business
  - its staff remain suitably skilled to deliver the services required
- produces regular performance reports for review by senior management and the Board that measure performance against objectives and targets as detailed in service plans
- operates three Committees which report to the Board, who have been delegated specific functions to discharge on its behalf as set out in their respective Terms of Reference
Appendix 5 to Agenda Item 5 - Annual Governance Statement 2017-18

- operates a development and training programme for the Board Directors developed from appraisals, one to ones and Committee self-assessments which are carried out annually.

South Essex Homes ensures that the Board Directors are fulfilling their responsibility under Companies Act 2006 for adequate risk management, control and governance.

The company has a duty to ensure that it is fulfilling its responsibility for maintaining adequate and effective risk management, control and governance arrangements. This role has been delegated to the Audit and Risk Committee, who reports to the Board on the discharge of its duties on an exception basis.

4. Review of Effectiveness

South Essex Homes is responsible for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by

- the work of the:
  - Chief Executive, Executive Director, the Director of Business Development and Group Managers within the Company who have responsibility for the development and maintenance of the governance environment
  - Head of Internal Audit’s annual report.
  - comments made by the External Auditors and other review agencies and inspectorates.

The Council’s processes to review on-going effectiveness of SEH include Council officers meeting with SEH officers on a quarterly basis to review performance against a suite of performance indicators and its strategic aims which are as follows;

- **Provide** excellent services
- **Ensure** our sustainability

SEH’s internal arrangements for ensuring the effectiveness of its governance arrangements consist of the:

- SEH Board receiving monthly performance reports across operational, human resources and value for money indicators;
- Audit & Risk Committee undertaking a review of the Risk Management Strategy and the Strategic Risk Register to ensure that risks are relevant and applicable and that the Board Members are responsible for ensuring that risks are monitored effectively by the Senior Management Team;
- Audit & Risk Committee undertakes a review of both its effectiveness as well as the operational arrangements annually;
- production and approval of annual Manager Assurance Statements by service managers and Group Managers to assess compliance with key governance processes throughout the year;
Appendix 5 to Agenda Item 5 - Annual Governance Statement 2017-18

- Group Manager for Resources and Business Development then independently checking that the evidence supports the service manager's assessment of how well each of the business management processes have operated in their area;
- Company undertaking a review of Tenancy Services, Careline Services and Corporate Services during 2017/18. A number of actions were identified to improve the service. The Board receives an update on exceptions at each meeting on progress against actions.
- Company continuing to review and adjust staffing structures aligning them with the services provision and the Business Plan Vision 2022.

Internal Audit

Internal Audit is delivered through a Service Level Agreement with the Council's Internal Audit Services. The Charter, Strategy and risk based Audit Plan is prepared in consultation with the Senior Management Team and approved (but not directed) by the Audit & Risk Committee.

Terms of Reference and reports are discussed with relevant Directors and Group Managers before being finalised. The recommended actions required to mitigate risks audited are summarised in an action plan.

Internal Audit revisits action plans where the original report's opinion was either Partial or Minimal. These actions are retested and the results of this work are reported to the Senior Management Team and Audit & Risk Committee as part of the Quarterly Performance Report.

Head of Internal Audit Opinion for the year ended 31 March 2018

The Head of Internal Audit Annual Report and opinion for 2017/18 was considered by the Senior Management Team and the Audit & Risk Committee in May 2018. It stated that:

‘Overall, the risk management, control and governance framework designed by the company to deliver its objectives; and operated throughout the year, has remained satisfactory.

Work being undertaken to strengthen the arrangements for letting and managing contracts needs to be completed and fully embedded into day to day operational practices.

There is also a need to ensure that the quality of data supporting the production of performance information presented to senior management and the Board is consistently good and therefore reliable’.

Compliance with Professional Standards, Head of Internal Audit Opinion

‘The Institute of Internal Auditors assessed the in-house team as fully meeting most of the Standards, as well as the Definition, Core Principles and the Code of Ethics in October 2017 (classified as “Generally Conforms”, the highest rating).

Good assessments were achieve in relation to:

- reflection of the Standards
- focus on performance, risk and adding value
- quality assurance and improvement programme.
Needs improvement assessments were given in relation to:

- coordinating and maximising assurance
- the efficiency of its operations'.

Internal Audit continues to make available its work as required to support the external audit of the company's Statement of Accounts.

The company attends the Council's July Audit Committee each year to present the following evidence with regard to its governance arrangements:

- Head of Internal Audit Annual Report
- Audit Committee Annual Report
- Annual Governance Statement.

The Head of Internal Audit also confirmed that 'no issues had come to her attention this year, other than those already disclosed, that she believed needed including in the company's Annual Governance Statement'.

**External Audit**

The External Audit of the annual financial statements was undertaken by Scrutton Bland LLP with the view to expressing an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK) and Ireland).

In carrying out the audit work Scrutton Bland LLP considered whether the financial statements were free from 'material misstatement'. Materiality is an expression of the relative significance of a particular matter in the context of the financial statements as a whole. An item will normally be considered material if its omission would reasonably influence the decisions of those using the financial statements.

Scrutton Bland LLP issued a report to management at the conclusion of the audit work. This included a management letter containing comments and recommendations for improvements in operations and internal control in respect of the Company. This was discussed with management prior to the issue of the final report. The report also includes details of any significant adjusted and unadjusted items that arose as a result of the audit work.

The Audit & Risk Committee consider the external auditor's report and recommends adoption of the financial statements to the Board.

**Key Governance Issues**

The main areas for further work identified through the Governance Assurance Process in 2017/18, and which should be disclosed in the Governance Statement Action Plan are the need to:

- strengthen the procedures and processes for letting and managing contracts, and cascade contract management training throughout the Property Services Team
- deliver the project set up by the company to ensure it substantially complies with the General Data Protection Regulation
Appendix 5 to Agenda Item 5 - Annual Governance Statement 2017-18

- refresh and revise the overarching governance arrangements between South Essex Homes and South Essex Property Services
- establish formal quality assurance processes and consistently detailed instructions on how to calculate indicators for all the performance information reported to the Board
## Governance Action Plan 2018-2019

**Governance Action Plan 2018-2019**

**Report Type:** Actions Report  
**Report Author:** Beverley Gallacher  
**Generated on:** 23/04/2018

<table>
<thead>
<tr>
<th>Code &amp; Title</th>
<th>Description</th>
<th>Progress Bar</th>
<th>Managed By</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance Action Plan 2018-19</td>
<td>Governance Action Plan 2018-19</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

**Status Icon:** [Green Arrow]
**Appendix 6 to Agenda Item 5 – Annual Governance Action Plan 2018/19**

<table>
<thead>
<tr>
<th>Code &amp; Title</th>
<th>Code &amp; Title</th>
<th>Description</th>
<th>Expected Outcome</th>
<th>Status Icon</th>
<th>Planned start date</th>
<th>Due date</th>
<th>Progress bar</th>
<th>Assigned to</th>
</tr>
</thead>
<tbody>
<tr>
<td>CM Contract Management</td>
<td>CM01 Complete training programme</td>
<td>Complete training programme on contract management for a consistent approach to all procured contracts within the Property Services Team</td>
<td>A consistent approach to managing contracts within South Essex Homes</td>
<td>01-May-2018</td>
<td>31-Jul-2018</td>
<td>0%</td>
<td>Paul Longman</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CM02 Develop appropriate guidance setting out contract management expectations for staff</td>
<td>To produce a concise document detailing contract procedures and processes which staff members should adhere to within Property Services.</td>
<td>A consistent approach to managing contracts within South Essex Homes</td>
<td>01-May-2018</td>
<td>31-Jul-2018</td>
<td>0%</td>
<td>Paul Longman</td>
<td></td>
</tr>
</tbody>
</table>
### Code & Title
- **GDPR – General Data Protection Regulation**  
  **Managed By**: Sarah Lander

### Description
- **General Data Protection Regulation**  
  **Progress Bar**: 0%

### Status Icon
- [Green](#)

---

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Description</th>
<th>Expected Outcome</th>
<th>Status Icon</th>
<th>Planned start date</th>
<th>Due date</th>
<th>Progress bar</th>
<th>Assigned to</th>
</tr>
</thead>
<tbody>
<tr>
<td>DPA01</td>
<td>To implement a Service Level Agreement with SBC</td>
<td>To agree with SBC detailed contents of SLA following the commencement of the GDPR framework</td>
<td>To give assurance to the Board and SMT that GDPR changes are captured within the SLA and SBC will provide competent advice and statutory guidance.</td>
<td><a href="#">Green</a></td>
<td>30-04-2018</td>
<td>25-05-2018</td>
<td>0%</td>
<td>Sarah Lander</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Description</th>
<th>Expected Outcome</th>
<th>Status Icon</th>
<th>Planned start date</th>
<th>Due date</th>
<th>Progress bar</th>
<th>Assigned to</th>
</tr>
</thead>
<tbody>
<tr>
<td>DPA02</td>
<td>To ensure compliance with GDPR changes</td>
<td>To implement: Privacy Notices, Updated Data Protection Policy, Data Sharing Agreements, Updates to contractors on legislative changes, Register of documents</td>
<td>Compliance with GDPR regulations</td>
<td><a href="#">Green</a></td>
<td>31-03-2018</td>
<td>31-Dec-2018</td>
<td>0%</td>
<td>Sarah Lander</td>
</tr>
</tbody>
</table>

---

### Appendix 6 to Agenda Item 5 – Annual Governance Action Plan 2018/19

---

**Tab 2.6 Appendix 6 to Agenda Item 5 - Annual Governance Action Plan 2018/19**

---

Public Board Papers-24/05/18

---

31 of 62
### Appendix 6 to Agenda Item 5 – Annual Governance Action Plan 2018/19

<table>
<thead>
<tr>
<th>DPA03</th>
<th>DPA03 Complete review of Document Retention Policy</th>
<th>Undertake a review of the document retention policy in line with the Council's criteria for landlord and property services and ensure that ICT systems and hard copy documents are in place to comply.</th>
<th>Compliance with changes to the GDPR framework</th>
<th>31-Mar-2018</th>
<th>31-Jan-2019</th>
<th>Sarah Lander</th>
</tr>
</thead>
</table>

Compliance with changes to the GDPR framework:
- 31-Mar-2018
- 31-Jan-2019

Sarah Lander
## Appendix 6 to Agenda Item 5 – Annual Governance Action Plan 2018/19

<table>
<thead>
<tr>
<th>Code &amp; Title</th>
<th>SEPS South Essex Property Services</th>
<th>Managed By</th>
<th>Beverley Gallacher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Review arrangements between South Essex Homes and South Essex Property Services</td>
<td>Progress Bar</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Description</th>
<th>Expected Outcome</th>
<th>Status Icon</th>
<th>Planned start date</th>
<th>Due date</th>
<th>Progress bar</th>
<th>Assigned to</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEPS01</td>
<td>Review Articles of Association in line with agreed changes to governance recommendations approved by the Board.</td>
<td>Review governance arrangements and obtain approval from the Shareholder.</td>
<td>Review the Articles of Association in line with the Board directive to comply with good practice</td>
<td>![Green Check]</td>
<td>01-Apr-2017</td>
<td>June, 2018</td>
<td>50%</td>
<td>Beverley Gallacher</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Description</th>
<th>Expected Outcome</th>
<th>Status Icon</th>
<th>Planned start date</th>
<th>Due date</th>
<th>Progress bar</th>
<th>Assigned to</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEPS02</td>
<td>Review Code of Governance in line with Articles of Association</td>
<td>Review governance arrangements and obtain approval from the Shareholders.</td>
<td>Review the Articles of Association in line with the Board directive to comply with good practice</td>
<td>![Green Check]</td>
<td>01-Apr-2017</td>
<td>June, 2018</td>
<td>50%</td>
<td>Beverley Gallacher</td>
</tr>
</tbody>
</table>
### Performance Information - Quality Assurance

<table>
<thead>
<tr>
<th>Code &amp; Title</th>
<th>Description</th>
<th>Expected Outcome</th>
<th>Status Icon</th>
<th>Planned start date</th>
<th>Due date</th>
<th>Progress bar</th>
<th>Assigned to</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEF01</td>
<td>Implement a central repository for KPIs</td>
<td>Extend the use of the Pentana system to become the central repository for all PI guidance</td>
<td>A single place where KPI information can be located with guidance for staff on definitions and calculation methodology.</td>
<td>01-Apr-2017</td>
<td>June, 2018</td>
<td>0%</td>
<td>Beverley Gallacher</td>
</tr>
<tr>
<td>PEF02</td>
<td>Review guidance and standardise within the Central Repository</td>
<td>Produce consistent step-by-step process guidance, quality assurance steps, business methodology and detailed roles and responsibilities for Key Performance Indicators</td>
<td>A single place where KPI information can be located with guidance for staff on definitions and calculation methodology.</td>
<td>01-Apr-2017</td>
<td>June, 2018</td>
<td>0%</td>
<td>Beverley Gallacher</td>
</tr>
</tbody>
</table>
Resident Voice Your View

The four motorcycle sheds in Viking Court facing Delaware Road need to be attended to. They are in a dilapidated state: two are boarded up; the other two are frequently vandalised and had rubbish dumped into them. We brought their unsightly state repeatedly to a succession of our tenancy officers and during the periodical estate walkabouts to no avail. As this has been going for so long, we are bringing it now to the Board to be addressed.

These sheds were built to store motorcycles, so that they need not be permanently parked within the courtyard area.

They were originally designed to have steel shutters or metal garage doors, not what they ended up with! No one will want to hire a shed for their £10,000 bike in a shed that is so unsafe. The doors are always being kicked in: they should have been more resistant to potential thieves. We ask that proper secure shutters are installed so that motorcycle owners can safely store their motorcycles in these sheds.

Thank you7

Majzoub B Ali

Response

Three Group Manager attended site on Thursday 10th May to review the status of this area and in doing so also picked up on the damage to these sheds. A repair has been raised to secure the sheds so that no further damage can be inflicted and to ensure that no one can access them.

The Tenancy Services Team have been reviewing the usage of the sheds and they are not suitable for motorcycles to be stored in them due to the location adjacent to resident flats. Consultation is underway with residents over proposed usage for the future.
South Essex Homes Limited

Minutes of Audit & Risk Committee Meeting

Date: Tuesday 15th May

Time: 5:00pm

Room 1.03, Civic Centre

Present: David Joyce - Chair of the Audit & Risk Committee; Michael Oxley; Chris March; Keith Ducker

In Attendance: Beverley Gallacher - Company Secretary; Daniel Lyons - Financial Services Manager; Linda Everard - Head of Internal Audit; Elaine Allen - Audit Manager;

<table>
<thead>
<tr>
<th></th>
<th>Welcome and Introductions</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>The Chair welcomed Officers and Committee Members.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Apologies for Absence</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>There were no apologies for absence received.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Declarations of Interest</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td>There were no declarations of interest.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Report of Whistle Blowing Incidences</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1</td>
<td>No reports of Whistle Blowing incidences for the last quarter.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Minutes and Matters Arising from the Meeting held on 13th February 2018</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.1</td>
<td>The Committee agreed and signed the minutes from 13th February 2018</td>
<td></td>
</tr>
<tr>
<td>5.2</td>
<td>Matters arising 11.2 – BG advised that there is also a report going to Board for 24th May 2018.</td>
<td></td>
</tr>
<tr>
<td>5.3</td>
<td>All other matters arising were noted.</td>
<td></td>
</tr>
</tbody>
</table>

   **Risk Register**

   6.1 BG summarised the report and advised that the SMT have reviewed the SEH Risk Register and reduced the risks to those Strategic risks applicable to the Company only.

   6.2 The Audit and Risk Committee requested that all risks include the cause/outcome should the risk not be mitigated which had been removed.

   6.3 The Audit and Risk Committee requested the removal of the mitigation for Risk SEH02 (item 5). Further that the SMT review the actions relating to new business within this risk.

   6.4 The Audit and Risk Committee requested that Risk SEH04 includes reference to the General Data Protection Act Regulation and associated target actions be reviewed and added.

   6.5 DJ requested that the current Risk Register is added to the Diligent Resource Centre for access by the whole Board.

   6.6 **Risk appetite:**

   The Audit and Risk Committee requested that the ‘Adverse’ section be included in the risk appetite survey prior to it being sent out to the Board.

6.7 **Recommendation**

i) The Audit and Risk Committee agreed to the proposal from SMT to reduce the Corporate Risk Register to 6 strategic risks which incorporate the previous risks contained and simplifies the approach to identifying strategic risks for the organisation subject to the additional recommendations detailed above.

ii) The Audit and Risk Committee approved the Risk Appetite Survey, which will form the Board’s opinion of its risk appetite for the organisation. Subject to changes recommended

7. **Internal Audit Quarterly Performance Report**

   7.1 EA summarised the report advising this was closing down work for 2017/18.

   7.2 BG advised that all Internal Audit reports are within the resources section of Diligent for members to access.

   7.3 MO queried 4.1 - Quality assurance. MO asked how we ensuring quality is complied with. EA explained that work has been completed to ensure this work is now undertaken in a process and not by a single person, so anyone can pick up this work in future.
| 7.4 | DJ queried 4.2 – Door Entry Service asking when outstanding deadlines will be met. EA advised most should be rectified by July 2018. |
| 7.5 | DJ suggested that deadlines should always be met unless there are exceptional circumstances, beyond just having resource issues. This is to encourage officers to ask for and explain in advance if any extension is required. |
| 7.6 | EA advised that the new system will be keep the SMT updated with the key dates that are approaching. |
| 7.7 | The Audit and Risk Committee requested that an action plan containing all exceptions to Internal Audit recommendations be included within the Assurance Report on a quarterly basis, with exception requests to the Committee clearly detailing reasons why actions have not been achieved in accordance with the original timelines. |
| 7.8 | EA summarised 4.5 - SBC Housing Rents Internal Audit have now agreed with SBC ICT for a report to be sent out annually to assure the SMT of staff roles and responsibilities for all systems. |
| 7.9 | **Recommendations:** |
|     | i) The Audit and Risk Committee noted the report. |
| 8.  | **Head of Internal Audit Report 2017/18** |
| 8.1 | LE summarised the report drawing the committees attention to the following: |
|     | • Para 4.1 – the overall opinion of the HoIA is that SEH’s framework is satisfactory |
|     | • Regarding contracts there is still ongoing work continuing to improve the framework |
|     | • Regarding data quality there is also ongoing work. |
|     | • Section 5 relates to the evidence considered |
|     | • Para 6.1 relates to compliance with professional standards and there is assurance that SEH conforms to these standards. |
|     | • Para 6.11 relates to the quality and improvement programme and compliance from contractors |
|     | • Para 6.14 confirms that Internal Audit have been able to maintain their independence without any issues |
|     | • Para 7.1 confirms that report covers everything that it should do |
| 8.2 | DJ requested an update on Contract procurement Internal Audit |

**DL**

**BG**
Actions.

8.3 DJ requested update on Gas Servicing Internal Audit Actions

8.4 DJ queried Appendix 3 - Stakeholder survey feedback – 67%
LE advised that this depended on which level of the organisation was surveyed; this was below Group Manager level.

8.5 LE advised that they are developing a governance and control workshop to educate staff, but surveys are always conducted if any indication that staff are unhappy.

8.6 **Recommendations:**

i) The Audit and Risk Committee accepted the Head of Internal Audit's Annual Report for 2017/18.

9. **Audit and Risk Committee Annual Report 2017/18**

9.1 LE advised that the Audit and Risk Committee should assess its performance and then present to this to Board. The Committee should ensure the report reflects the Committee’s performance.

9.2 The Audit and Risk Committee requested that Section 7 in Appendix 3 be amended to a score of 5 and the action be removed

9.3 LE advised the Committee that it would not be necessary for the Chair to attend the Council’s Audit Committee this year.

9.4 **Recommendations:**

i) The Audit and Risk Committee:

   Accepted the performance and effectiveness assessments outlined in the report and the recommendations made for further action (Appendices 2 and 3) – subject to amendment

ii) Will report to the Board that it has successfully delivered the requirements of its Terms of Reference in 2017/18

iii) Recommends that the Board approves the Annual Governance Statement 2017/18.


10.1 DL summarised the report on investment, returns on investments and the Treasury Management Strategy.

10.2 SEH were previously only allowed £1.5 million in current account so would breach this monthly due to management fee from SBC. This has now been increased to £2 million. DJ asked if this breach had been reported to the Committee. DL confirmed last time it was.

10.3 The Investment Strategy only allowed up to 5.5 million to be
invested. This has been increased to allow more flexibility for investment. DL also advised that SEH only invests in UK banks that have high credit ratings or are government backed to mitigate risks.

**10.4**

DJ recommended that this is not a Strategy and should be renamed as a policy.

DL confirmed he will amend the name for CAPITA.

**10.5**

**Recommendations:**

i) To agree the revised Treasury Management Policy as contained at Appendix 1 for further recommendation to the Board

ii) To agree the Annual Treasury Management report for 2017/18 and note there have been no exceptions.

**11.**

**Final Budget Position and Management & Performance Expectations including Value for Money Register**

**11.1**

DJ suggested that there is a false portrayal of account due to non accrual for last quarter spending. DL confirmed he will accrue monthly for these items also.

**11.2**

DL advised that utilities are fixed service charge for tenants but variable for leaseholders. DL confirmed that any overspend will be taken into account next year. Some years SEH will over recover and other years we will under recover.

**11.3**

BG advised of dispute with SBC in relation to installation of fibre in our off site locations which have exceeded expected costs. BG advised we have had dialogue with the Council which is on going.

**11.4**

DJ advised error on Appendix 1 – DL to amend % figure.

**11.5**

DJ queried why the lettable voids are 22.4% over 4 weeks. BG confirmed that the Board had requested a full report for its AwayDay in July which would include reference to this point.

**11.6**

DJ advised that Value for money section needs to be amended. Committee recommendation to remove those contracts which cannot be classed as Value for Money.

**11.7**

**Recommendations:**

i) The Audit and Risk Committee reviewed and considered the Company’s financial performance based on information as at 31st March 2018.

ii) That the Audit and Risk Committee noted the exceptions for Key Performance Indicators as at 31st March 2018.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>iii)</strong></td>
<td>That the Audit and Risk Committee noted the Value for Money Register for 2017/18 and changes are reflected when it is brought back to a future Committee meeting.</td>
</tr>
<tr>
<td><strong>12.</strong></td>
<td>Date of Next Meeting – 20th June 2018</td>
</tr>
<tr>
<td><strong>13.</strong></td>
<td>The meeting closed at 19.45pm</td>
</tr>
</tbody>
</table>
1 Purpose of Report

1.1 To provide the Board with the latest Management Accounts’ information of the Company. To provide Key Performance Indicator and compliance exceptions to the company’s business.

2 Recommendations

2.1 That the Board note the Company’s financial performance based on information as at 31st March 2018.

2.2 That the Board note the exceptions for Key Performance Indicators as at 31st March 2018.

2.3 The Board note the Compliance Statement contained at Appendix 2.

3 Background

3.1 Introduction

3.1.1 This report sets out the actual expenditure on the Operating Budget, Revenue Repairs Budget and Capital Programme to 31st March 2018.

3.1.2 The Key Performance Indicator exceptions of the Company as at 31st March 2018 are also set out for information.

4 Final Budget Position as at 31st March 2018

4.1 Operating Budget
4.2 Revenue Repairs and Capital Programme

<table>
<thead>
<tr>
<th>Description</th>
<th>Original Budget for year £000</th>
<th>Revised Budget for year £000</th>
<th>Actuals at 31st March £000</th>
<th>Variance £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Revenue Repairs Budget</td>
<td>4,830</td>
<td>4,831</td>
<td>5,035</td>
<td>(204)</td>
</tr>
<tr>
<td>The Capital Programme</td>
<td>7,265</td>
<td>5,415</td>
<td>4,773</td>
<td>642</td>
</tr>
</tbody>
</table>

4.3 The Operating Budget

The main variances on The Operating Budget are detailed below;

4.3.1 Commercial Income

We prudently budgeted for 2017/18 due to the status of external contracts being unknown at the budget setting stage. The income from Castle Point was budgeted to be £50k as the contract was due to end in June 17. This contract was re-negotiated for another year and so the total income for the year on this contract was £241k. The Women’s Refuge provision was also due to end in April 17 and so no budget was allowed for this income, £120k of income was realised on this contract. An additional £41k was also obtained by recharging SEPS for SEH staff time spent servicing SEPS business lines.

4.3.2 Commercial Costs

As mentioned above the status of the external contracts was uncertain at the time of budgeting and so we only budgeted for known commercial lines. This meant we only budgeted for £23k of expenditure against the Castle Point contract. As this contract was extended and the women’s refuge contract was also extended to October 17 there were additional incurred costs on both of these contracts. These extra unbudgeted costs were more than offset
though by additional income from the contracts.

4.3.3 Employees

The spend on employee costs ended the year as £118k over spent. The main reason for this over spend is the provision in the 2017/18 accounts for the Phase 2 Restructure redundancy costs which have amounted to £174k. There were also some large variances on individual department’s employee costs.

4.3.4 Training

The training budget is underspent by £72k. The training was delayed during the year due to staff resources. A development programme is being developed and future needs for the budget assessed.

4.3.5 Utilities

Spend on utilities is £109k over budget. Both gas and electricity costs have been higher than expected with an over spend of £85k on electricity and £36k on gas. These higher costs will be reflected in future years’ service and heating charges.

4.3.6 Telephone

The telephones budget is overspent by £60k. This is due to the cost of fibre links into sheltered schemes being significantly more expensive than envisaged. Discussions are currently taking place with Southend Borough Council on the level of these charges and the future budget availability.

4.4 Revenue Repairs

4.4.1 The Revenue Repairs budget area is overspent by £204k. During 2017/18 the contract with Kiers was negotiated and a 23% uplift was agreed on all jobs during the year. The additional charge from Kiers during 2017/18 as a result of this amounted to around £500k.

4.4.2 In order to alleviate the pressure from this contract increase planned works were held and delayed (external decorations and asbestos works). This has helped to reduce the over spend to £204k. Southend Borough Council have agreed to fund this over spend so ensuring that South Essex Homes has no call on reserves.

4.5 Capital Programme

4.5.1 The Capital programme is underspent by £642k.

4.5.2 A number of decent homes projects started later than anticipated due to procurement issues and the installation of a new lift at a low rise part two
sheltered scheme was cancelled due to issues associated with the structure.

4.5.3 All underspends on the Capital budget will be rolled forward into future years programmes.

5. **Key Performance Indicator Exceptions**

5.1 The performance report for the year to date April 2017 to March 2018 is shown at Appendix 1. Most indicators met, or were better than target for the year with the following exceptions:

KP4 – Collection rate for rents  
KP12 – Responsive repairs completed in target time  
KP19 – Percentage of non-decent homes  
KP20 – Percentage of improvement programme completed  
KP24 – Working days lost to sickness absence  
KP25 – Complaints responded to within 10 days

5.2 Although there is always monthly fluctuation in rent collection figures, in March the rent collection was just above the target, although the overall year to date figure is 99.57% this is just 0.13% below the target of 99.70%. There has been no reduction in recovery activity, and every effort has been made to reach the target, nevertheless the overall arrears performance (KP5) is well within target.

The turnaround time for void properties (KP7) has dropped slightly in December to 17.9 days due to the slower turnaround during the Christmas and New Year period. The year to date performance remains within target at 16.1 days.

5.3 The annual target for KP12 was missed by 0.56%, however given the target is 99% performance is still very good. Reasons for jobs not being completed within target time are discussed with the contractor on a regular basis and where appropriate remedial action is taken.

5.4 Both KP19 and KP20 reflect the progress made in carrying out this year's Decent Homes programme. 100% decency was not achieved in 2017/18 due to performance issues with the company that were delivering the kitchen, bathroom and electrical renewal works. As a result of their unacceptable performance a decision was made to invoke the break clause and their contract ends on 3rd August 2018. A new contract has been prepared and the outstanding works will be undertaken in the 2018/19 financial year.

5.5 The number of working days lost to sickness absence (KP24) has stayed above target for the whole of the year to date. Addressing sickness absence is a key objective of SEH which has been flagged by the Board, SMT and also at CMG Managers Meeting. The importance of effective return to work interviews is being reinforced at all levels. It will be monitored by SMT on an ongoing basis. We are looking at good practice amongst other ALMOS and we will continue to work with HR to support an increasingly effective absence management process.

5.6 The target for KP25 was set at 100% meaning that all complaints should have
been responded to within the 10 day limit. One complaint missed this target

time.

6. **Diversity and Equality Opportunities**

6.1 There are no direct Equality and Diversity implications arising from this report.

7. **Risk**

7.1 The risk of having inadequate financial control over the budgets could lead to
unnecessary under or overspending on budgets, thus adversely affecting
services or losing Government grant. Risk SEHRISK 08 - Risk that there are
insufficient financial resources to deliver the service and carry out the actions
contained in the Vision 2022 Business Plan are being mitigated by robust
monitoring of the budgets and ensuring that the 5 core Board projects
produce the outcomes required to manage budgets going forward.

8. **Financial Implications**

8.1 The financial implications are incorporated in the body of the report.

9. **Background Papers**

9.1 N/A

10 **Appendices**

10.1 Appendix 1 – Key Performance Indicator Exceptions
10.2 Appendix 2 – Corporate Compliance Position Statement
### End of year performance 2017/18

#### KP Report April 2018

<table>
<thead>
<tr>
<th>PI Code</th>
<th>Short Name</th>
<th>2016/17</th>
<th>2017/18</th>
<th>Annual Target 2017/18</th>
<th>Long Term Trend Arrow</th>
<th>Current Status</th>
<th>Latest Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>KP 3</td>
<td>Careline calls answered in 1 minute</td>
<td>98.7%</td>
<td>97.9%</td>
<td>97.5%</td>
<td>◼️</td>
<td>🟢</td>
<td>Although there is always monthly fluctuation in rent collection figures, in March the rent collection was just above the target, although the overall year to date figure is 99.57% this is just 0.13% below the target of 99.70% . There has been no reduction in recovery activity, and every effort has been made to reach the target, nevertheless the overall arrears performance (KP5) is well within target.</td>
</tr>
<tr>
<td>KP 4</td>
<td>Collection rate for rents</td>
<td>99.98%</td>
<td>99.57%</td>
<td>99.70%</td>
<td>🟢</td>
<td>🟢</td>
<td>This indicator represents the current arrears as a percentage of the total rent collectable for the year. I am pleased to report that the target has been met, which has been as a result of the combined efforts of the frontline teams working together to tackle rent arrears at an early stage , and to support tenants in sustaining their tenancies.</td>
</tr>
<tr>
<td>KP 5</td>
<td>Current rent arrears as % of rent due</td>
<td>1.35%</td>
<td>1.43%</td>
<td>1.77%</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>KP 6</td>
<td>Satisfaction with property condition</td>
<td>99%</td>
<td>100%</td>
<td>97%</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>KP 7</td>
<td>Void turnaround time</td>
<td>15.5</td>
<td>16.8</td>
<td>17.0</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

**PI Status**

- ◼️ Significant variation from target
- ▲ Minor variation from target
- ✔ Target met
- 🟢 Data Only

**Long Term Trends**

- ◼️ Getting Worse
- ▲ No Change
- ✓ Improving
### Appendix 1 to Agenda Item 9 – Key Performance Indicator Exceptions

<table>
<thead>
<tr>
<th>PI Code</th>
<th>Short Name</th>
<th>2016/17 Value</th>
<th>2017/18 Value</th>
<th>Annual Target 2017/18</th>
<th>Long Term Trend</th>
<th>Current Status</th>
<th>Latest Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>KP11</td>
<td>Satisfaction with outcome of ASB complaints</td>
<td>99%</td>
<td>99%</td>
<td>93%</td>
<td></td>
<td></td>
<td>In March, there were no surveys returned, however ASB is very emotive and although every effort is made to resolve the issue raised it may not always meet the expectations of the complainant, or even if the matter is resolved to their satisfaction , they do not always return the surveys.</td>
</tr>
<tr>
<td>KP12</td>
<td>Responsive repairs completed in target times</td>
<td>97.51%</td>
<td>98.44%</td>
<td>99.00%</td>
<td></td>
<td></td>
<td>The annual target for KP12 was missed by 0.56%, however given the target is 99% performance is still very good. Reasons for jobs not being completed within target time are discussed with the contractor on a regular basis and where appropriate remedial action is taken.</td>
</tr>
<tr>
<td>KP15</td>
<td>Average time to complete all jobs</td>
<td>8.74</td>
<td>7.33</td>
<td>8.50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KP17</td>
<td>Gas safety certificates</td>
<td>100.00%</td>
<td>100.00%</td>
<td>100.00%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KP19</td>
<td>% non-decent council homes</td>
<td>1.7%</td>
<td>2.3%</td>
<td>0%</td>
<td></td>
<td></td>
<td>100% decency was not achieved in 2017/18 due to performance issues with the company that were delivering the kitchen, bathroom and electrical renewal works. As a result of their unacceptable performance a decision was made to invoke the break clause and their contract ends on 3rd August 2018. A new contract has been prepared and the outstanding works will be undertaken in the 2018/19 financial year.</td>
</tr>
<tr>
<td>KP20</td>
<td>Improvement Programme completed</td>
<td>92.4%</td>
<td>67.9%</td>
<td>100.0%</td>
<td></td>
<td></td>
<td>100% decency was not achieved in 2017/18 due to performance issues with the company that were delivering the kitchen, bathroom and electrical renewal works. As a result of their unacceptable performance a decision was made to invoke the break clause and their contract ends on 3rd August 2018. A new contract has been prepared and the outstanding works will be undertaken in the 2018/19 financial year.</td>
</tr>
<tr>
<td>KP24</td>
<td>Working Days Lost Due to Sickness Absence</td>
<td>8.93</td>
<td>11.44</td>
<td>8.75</td>
<td></td>
<td></td>
<td>Addressing sickness absence is a key objective of SEH which has been flagged by the Board, SMT and also at CMG Managers Meeting. The importance of effective return to work interviews is being reinforced at all levels. It will be monitored by SMT on an ongoing basis. We are looking at good practice amongst other ALMOS and we will continue to work with HR to support an increasingly effective absence management process.</td>
</tr>
</tbody>
</table>
### Appendix 1 to Agenda Item 9 – Key Performance Indicator Exceptions

<table>
<thead>
<tr>
<th>PI Code</th>
<th>Short Name</th>
<th>2016/17</th>
<th>2017/18</th>
<th>Annual Target 2017/18</th>
<th>Long Term Trend Arrow</th>
<th>Current Status</th>
<th>Latest Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>KP25</td>
<td>Complaints responded to within 10 days</td>
<td>98%</td>
<td>99%</td>
<td>100%</td>
<td>←</td>
<td></td>
<td>This represents one complaint being completed out of the target time of 10 days during 2017/18</td>
</tr>
<tr>
<td>KP32</td>
<td>Tenants satisfied with viewing and letting process</td>
<td>98%</td>
<td>100%</td>
<td>97%</td>
<td>←</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local N20</td>
<td>Anti-Social Behaviour cases successfully resolved</td>
<td>100.0%</td>
<td>100.0%</td>
<td>99.6%</td>
<td>←</td>
<td></td>
<td>There were 7 cases closed during the month of March. All of these cases were resolved. The number of cases will naturally fluctuate from month to month, according to complexity of the cases and interventions necessary.</td>
</tr>
<tr>
<td>Local R2</td>
<td>Number of evictions for rent arrears</td>
<td>28</td>
<td>29</td>
<td></td>
<td>←</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local R7</td>
<td>Write-offs (cash value)</td>
<td>£92,982</td>
<td>£140,633</td>
<td></td>
<td>←</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local R13</td>
<td>Current rent arrears (in cash)</td>
<td>£437,610</td>
<td>£459,585</td>
<td>£580,500</td>
<td>←</td>
<td></td>
<td>This is the cash figure used in the calculation of KP5, so please see comments under this indicator above</td>
</tr>
<tr>
<td>Local R13a</td>
<td>Former tenant arrears</td>
<td>£396,992</td>
<td>£395,093</td>
<td>£440,000</td>
<td>←</td>
<td></td>
<td>The former tenant arrears is a constantly moving figure in that any termination, be it an eviction or a tenant terminating their tenancy voluntarily will create a former tenant debt. I am pleased to report that we have finished the year on target.</td>
</tr>
<tr>
<td>Local R14</td>
<td>FTAs as a percentage of debit</td>
<td>1.03%</td>
<td>1.05%</td>
<td>1.20%</td>
<td>←</td>
<td></td>
<td>The former tenant arrears is a constantly moving figure in that any termination, be it an eviction or a tenant terminating their tenancy voluntarily will create a former tenant debt, therefore it is quite difficult to predict the levels of new debt. Nevertheless I am pleased to report that we have met the target for the year.</td>
</tr>
<tr>
<td>Local R66b</td>
<td>% of Tenants in arrears over 7 weeks</td>
<td>3.06%</td>
<td>2.86%</td>
<td></td>
<td>←</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local SP8</td>
<td>Occupancy rate for Hostels</td>
<td>87%</td>
<td>88%</td>
<td></td>
<td>←</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local V3</td>
<td>Void loss as % of debit</td>
<td>1.85%</td>
<td>1.71%</td>
<td></td>
<td>←</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local V3 (F1)</td>
<td>Void loss</td>
<td>£610,609</td>
<td>£560,230</td>
<td></td>
<td>←</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local V8</td>
<td>Percentage of property void &amp; reletable</td>
<td>0.95%</td>
<td>1.03%</td>
<td></td>
<td>←</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Appendix 1 to Agenda Item 9 – Key Performance Indicator Exceptions

<table>
<thead>
<tr>
<th>PI Code</th>
<th>Short Name</th>
<th>2016/17</th>
<th>2017/18</th>
<th>Annual Target 2017/18</th>
<th>Long Term Trend Arrow</th>
<th>Current Status</th>
<th>Latest Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local V21</td>
<td>Proportion of lettable voids empty for over four weeks</td>
<td>30.4</td>
<td>22.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local V22</td>
<td>Percentage of tenants underoccupying due to spare room subsidy who we have contacted</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Corporate Compliance Position Statement

**24\textsuperscript{th} May 2018**

<table>
<thead>
<tr>
<th>Key Regulations</th>
<th>List of Control measures, South Essex Homes, has in place in order to comply with Health and Safety Legislation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Regulatory Reform (Fire Safety) Order 2005 BS 5839: Fire detection and Fire alarm systems for buildings – Part 1: Code of Practice for design, Installation, commissioning and maintenance.</td>
<td>Fire Alarm systems, Weekly fire alarm call point tests are carried out in Sheltered Housing Schemes, Homeless Hostels and Women’s Domestic Violence Refuge. Fire alarm systems are serviced and maintained by specialist contractor. The Fire Alarm systems themselves are tested and checked four times a year April, July, October and January. This included fire doors being serviced and maintained as part of the fire alarm service contract. <strong>The April 2018 test has been carried out.</strong> Fire evacuation drills are completed in all Sheltered Housing Schemes every 3 months. <strong>These are up to date and recorded in the onsite fire log</strong> Fire extinguishers and fire blankets are annually serviced and maintained in accordance with BS 5306. <strong>Service regime progressing to schedule</strong> Mains operated smoke and heat detectors are annually serviced and maintained as part of the gas servicing contract. <strong>Service regime progressing to schedule in line with gas service programme</strong> Fire Risk Assessments in accordance with The Regulatory Reform (Fire Safety) Order 2005 are carried out by the Regulation Compliance Officer employed directly by South Essex Homes. The schedule of properties subject to fire risk assessments for 2018 are: 22 Sheltered Housing Schemes (SHS), 13 Tower Blocks (TB), 9 Hostels (H), 149 medium and low rise blocks (B) 85 Others (O).</td>
</tr>
<tr>
<td>BS 5306-8:2012</td>
<td></td>
</tr>
</tbody>
</table>
### A total of 278 Fire Risk Assessments.

**All fire risk assessments for 2017 have been completed The fire risk regime for 2018 has begun.**

South Essex Homes complies

### BS 5266

**Emergency lighting. Code of Practice for the emergency escape lighting of premises**

### Electricity at Work Reg. 1989

### IET Wiring Regulations 2008: BS 7671

Emergency Lighting testing: Annual programme, this consists of an annual inspection & 11 monthly service visits.

**All inspections are progressing in line with agreed schedule**

Mains electrical systems associated with individual properties and landlord services are subject to a 5 year periodic test and a certificate is issued.

A total of 6,093 properties are scheduled to be tested as part of a 5 year programme carried out by external contractors.

The contract started on the 30th August 2016 and is due to end on the 31st March 2021

We are presently in year 3 of the programme and the number of properties issued to the contractor for 2018/19 is 1604

The Annual Portable Appliance Testing (PAT Testing) 2018/2019 programme is now being administered and delivered in house by the Estate Services team.

**South Essex Homes partially complies**

### Legionnaires

**Legionnaires Disease, The Control of Legionella Bacteria in water systems. Approved Code of Practice and Guidance (L8)**

Risk assessment for every sheltered scheme and homeless hostel are undertaken every 2 years. The existing contract started in 2014 and ends in 2018. Water samples are taken every quarter and analysed and results stored on a data base. A new contract is being procured.

**Samples have been taken in accordance with the schedule and any remedial works carried out**

Hot water temperatures are taken at each of the 22 sheltered schemes each month by the gas contractor and all remedial works carried out as required.

**This is in line with the monthly service visit for the communal boilers and is on schedule**
<table>
<thead>
<tr>
<th>Appendix 2 to Agenda Item 9 - Corporate Compliance Position Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At the high rise blocks South Essex Homes currently sample and Test for Legionella every six months. To date we have had no adverse samples. The last round of testing has been completed</strong></td>
</tr>
<tr>
<td><strong>South Essex Homes complies</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Control of Asbestos Reg. 2012 (CAR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>South Essex Homes monitor and update the asbestos register, to maintain the information held on it. Surveys are undertaken before all refurbishment works and asbestos is removed if applicable.</strong></td>
</tr>
<tr>
<td><strong>Two contractors are employed with regards the asbestos regime. One undertakes the test, inspection and analysis while the other is licenced for Asbestos removal and Waste Carrying.</strong></td>
</tr>
<tr>
<td><strong>South Essex Homes complies</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The Lifts Reg. 1997</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The lifts are surveyed by the Councils Insurers (ALLIANZ) every six months and certificates of compliance are issued. At the time of the six month inspection the inspector will advise whether any supplementary tests are required. All comments and recommendations made by the insurers are passed to South Essex Homes technical staff, who forward said reports to the Lift Maintenance Contractor for action and where necessary for quotes.</strong></td>
</tr>
<tr>
<td><strong>The Lift Maintenance Contractor undertakes monthly inspections and maintenance services to each lift in accordance with a service schedule. The inspection is carried out by a competent person who will detect defects or weaknesses and asses the safety and continued safe use of the lifts.</strong></td>
</tr>
<tr>
<td><strong>All monthly inspections are on schedule</strong></td>
</tr>
<tr>
<td><strong>South Essex Homes complies</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gas Safety (Installation and Use) Reg. 1998</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>South Essex Homes complies with the legal obligation to carry out an annual gas safety check in all properties with Council owned gas appliances. Annual gas safety certificates for gas boiler / appliances are issued by our contractor and said certificate (CP12) are recorded on our data system. Remedial works are actioned by the contractor as part of the comprehensive contract.</strong></td>
</tr>
<tr>
<td><strong>South Essex Homes runs a rolling 10 month service programme to ensure every gas appliance is definitely serviced before expiry of the CP12 Landlord Gas Safety Record certificate (LGSR).</strong></td>
</tr>
<tr>
<td><strong>The programme is on track and all properties have a valid LGSR certificate.</strong></td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td><strong>Construction (Design and Management) Reg. 2015</strong></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
South Essex Homes Limited

Report of the Executive Director
To
The Board
On
Thursday 24th May 2018

Report prepared by: Stuart Long
Tel: 01702 212693

Update on Resident Involvement and South Essex Community Hub

A Public Agenda Item

1. Purpose of Report

1.1 Update the board on the outcomes from the recent Big Conversation Day and the impact that this will have on the resident involvement work carried out by the Support Services Team for the Council’s tenants and residents.

2. Recommendations

2.1 The Board are asked:

2.1.1 To acknowledge and consider the content of the feedback from the Big Conversation.

2.1.2 To acknowledge and support the recommendations voted on by residents that;

   • Resident Block Voices should be discontinued as a specific approach, allowing individual tenants thereby to remain involved as part of the Federation or where appropriate, an Action Group or association rather than receiving direct day to day support from South Essex Homes

   • Focus Groups cease to operate in their current form and in their place specific Task and Finish groups will be set up in relation to Repairs and Maintenance, Leaseholders and other groups, as and when required. A regular rota of managers will attending Federation meetings to provide updates.

   • A relationship is formalised with South Essex Community Hub to allow greater transparency and align strategic and operational priorities alongside South Essex Homes including potentially
devolving an amount of the resident involvement budget to this Charity to support day to day resident involvement activities. This will be explored further with a view to commencing in the financial year 2019/20.

3. **Background**

3.1 The Scrutiny Panel carried out an inspection of the resident involvement work of the Community Development Team in October 2017. The recommendations were considered by the Senior Management Team and a further consultation was recommended to consider the options with a wider group of ‘involved’ residents participating in the decision making process. The resulting ‘Big Conversation’ Day took place on the 5th March 2018.

3.2 37 residents took part in the day. Discussion took place around the recommendations made from the scrutiny report regarding the following areas of interest;

3.3 Block Voices – there was much debate around the role, its effectiveness and relevance within the current environment. General consensus was that the Block Voice role should be discontinued as they generally were not seen as being representative of their communities as they work in isolation and often use the role to further their own agendas. Those who wish to remain involved must form an action group or association to share the responsibility and ensure wider representation. All residents have the opportunity to attend the monthly Federation meetings to gain information, feedback and raise concerns regarding issues.

3.4 Budgets – Discussion centred around the continued need to reduce budgets against current spending on tenant participation. A breakdown of current spending was outlined to residents with the opportunity to have a better understanding of costs. Residents felt they wanted greater responsibility for spend, particularly in relation to travel to and from meetings as this was outlined as a significant budget cost.

3.5 Options considered were a devolved budget managed by the Federation, a devolved budget managed by South Essex Community Hub Charity and a budget retained by South Essex Homes. Whilst residents wanted to be more involved in overseeing a budget the vote favoured responsibility of the budget to sit with the South Essex Community Hub Charity. Further details on this proposal are outlined later in this report (see 3.10)

3.6 Focus Groups – the attendees of the Big Conversation event were given background on how focus groups have evolved since the Audit Commission inspection and how new ways of working are needed to provide better
outcomes. Options debated were to; combine and reduce existing focus groups, run Task and Finish Groups to focus on specific areas, service area managers to report to the Federation meetings directly on performance or set up Area Panels that focus on localities. Discussion and voting resulted in recommendations for a combined approach of specific Task and Finish Groups with a regular rota of managers attending Federation to update members on specific issues.

3.7 South Essex Community Hub (SECH) (see 3.8) - residents examined community priorities to help identify potential external funding for projects. The following areas were identified as community needs that should be addressed –

1) Youth Engagement – Tackling ASB
2) Social Isolation
3) Digital Inclusion
4) Multi Lingual
5) Employment Support
6) Older People
7) Financial Inclusion
8) Helping to sustain tenancies

3.8 South Essex Community Hub is a registered charity. It is independent and managed by a Board of Trustees comprising of a Chair, Vice Chair, Treasurer, five residents and five independents. The community group was confirmed as a charity in October 2017 and was set up to act as the umbrella charitable organisation for resident associations and community projects that support South Essex Homes’ aspirations to engage with communities. The charity has recently been awarded the Council’s Locality Hub tender contract which equates to £120k per year for 3 years. Its charitable objectives are outlined below;

3.8.1 To develop the knowledge and digital skills of members of communities throughout South Essex by the provision of Digital Support Services, helping to identify and meet their needs and providing opportunities for access to digital services.

3.8.2 To provide advice and support for people suffering mental health problems throughout South Essex working in partnership with other community groups to provide a range of support services.

3.8.3 To work in partnership with other community groups to provide advice and support on the management of debt and, helping people living in communities throughout South Essex to improve their financial capability so they can better manage their money.

3.8.4 To provide support and access to language translation services to people
who do not have English as their first language throughout South Essex using digital technology to assist and support them

3.8.5 To work in partnership with other community groups to support and assist community engagement throughout South Essex and to support activities and projects that promote this goal and help improve community cohesion.

3.9 The charity is currently operationally supported by our Community Development Team. The Hub concept has allowed South Essex Homes to meet a number of operational and strategic objectives for the organisation as well as to enhance our reputation with the local authority and Councillors across all parties. However, there is currently no formal Service Level Agreement in place with the charity and therefore agreement should be reached on how best to formalise the working relationship, protect South Essex Homes’ interests and safeguard continued future involvement with the Hub. This will be explored over the next few months as to how best this could be achieved and how the SECH partnership could sit alongside our governance structure. In addition, the appropriateness of SECH managing a resident participation budget will also be explored.

3.10 An element of the resident support budget currently managed by the Community Development team, could be managed by the South Essex Community Hub charity. The recommendation from the Scrutiny Panel and approved by residents is designed to give residents more freedom in how the support budget is administered and empower residents to manage budgets such as, training and resident travel expenses etc. Responsibility for a devolved budget could commence in the financial year 2019/20 once an SLA/Partnership agreement is in place.

3.11 Administration support would continue to be provided through the support team along with support for funding and grant applications.

3.12 A meeting with the Council’s Audit team has taken place with a partnership agreement document being drafted alongside a review of governance once finalised, this agreement will be brought to Board for approval.

3.13 A new Resident Involvement Policy will be produced to reflect the proposed changes and the new policy will be brought to Board for approval.

4. Diversity and Equal Opportunities

4.1 There are no specific diversity issues identified in relation to this report
5. **Risk**

5.1 If the recommendations put forward by residents are not dealt with in a timely fashion, this could undermine the resident involvement ethos that South Essex Homes has worked so hard to achieve and residents could lose faith and respect for South Essex Homes.

5.2 Putting in place a Service Level Agreement with robust measures to closely monitor spend of the allocated budget, will mitigate the risk that spending could be used for purposes unrelated to South Essex Homes.

6. **Financial Implications**

6.1 If the Board support the proposals contained in this report, that a grant be paid, further work will be undertaken to develop specific recommended actions to the trustees of the charity SECH to administer independently from financial year 2019/20. This would be a step change from a directly managed budget.

6.2 Consideration would also be included as to how this would be supported for audit purposes in partnership with the internal audit service within the Council.

7. **Background Papers**

7.1 The Community Development Scrutiny Report

8. **Appendices**

8.1 None.
Core Project Update

A Public Agenda Item

1  Purpose of Report

1.1  To update the Board on progress against the 5 key targets (High 5) set by the Board under Vision 2022 Business Plan.

2  Recommendations

2.1  The Board are recommended:-

2.1.1  To note the update on the High Five.

3  Background

3.1  ICT Strategy

3.1.1  The Board was previously advised that the Council had appointed an ICT Specialist to undertake a process mapping exercise for South Essex Homes to pinpoint inefficiencies with how we use our current ICT systems and to underpin our review.

3.1.2  The resulting report was not sufficiently comprehensive to identify alternative options for our ICT systems or to attribute potential costs vs benefits against these options. There was one suggestion for integration between the Northgate and Abritas system which we have asked the Council to investigate and provide estimated cost for. However, we now have to consider the review in the round.

3.1.3  Our intention is to revisit this exercise, focusing on a smaller number of service areas which we anticipate will provide us with more specific and useful options to inform the review. In addition we are working with the Council’s IT team and external companies on developing an online offer (via a SEH customer portal) and an improved website, enhancing services we provide to both existing and new customers.
3.1.4 We have, however, moved forward someway with the review of the ICT Service Level agreement (SLA). Following the removal of an external consultant from this project, the Council indicated that they had internal resources to complete the reviews. Although this has therefore taken longer than was anticipated, we are now in receipt of a completed SLA although in early draft. This element of the wider ICT strategy has, therefore, moved forward and following further dialogue with the Council and discussion with Group Managers, is anticipated to be brought back to the Board in October, 2018.

3.2 Careline Update

3.2.1 Following the commercialisation of the Careline Service and the transfer to South Essex Homes on 1st April, the following work has commenced and is on-going:

- The new Careline Services Manager will be in post as of 2 July 2018. This is in line with the current restructure of the Support Services area.
- The relocation of the Careline Service to a more commercially viable location is on track and it is proposed that the service will relocate towards the end of June to the old West Area Housing Office in Mendip Road, Westcliff.
- The current operating system will be upgraded from PNC7 to PNC8 to coincide with the move to the new site, thereby providing significantly enhanced function ability.
- Sales continue to increase for the service in line with a soft touch approach to marketing and this will be elevated once the new Manager is in post.
- Southend Careline took on 1700 clients as a result of the closure of the Basildon Careline service due to Supporting People funding cuts and other bids are currently being considered.
- New technology in the form of a ‘care clip’ is being piloted by the Careline Service and is currently being marketed to the Council’s Adult Social Services Team to assist their clients suffering with dementia who wish to continue to live independently.
- A business plan has been produced to set out the sales and marketing approach of the Careline service over the next five years.

3.3 Phase II Restructure

3.3.1 Contained within Agenda Item 16

3.4 Repairs & Maintenance Contract Procurement

3.4.1 Contained within Agenda Item 15

3.5 Business Plan Vision 2022 Review

3.5.1 The Direct of Business Development is leading on this particular project and
it is expected to be an integral part of the discussion at the planned away day for the Board in July.

4 Equality and Diversity

4.1 All equality and diversity issues identified from the proposals contained in this report have been considered and are in accordance with the South Essex Homes Equality and Diversity Policy.

5 Risk

5.1 Any risks identified from the proposals contained in this report have been considered by the Senior Management Team.

6 Financial Implications

6.1 All costs associated with the 5 key projects for South Essex Homes are contained within the approved 2018/19 budgets.

7 Resident Consultation

7.1 The current Vision 2022 Business Plan has been shared and consulted with the Southend Tenants and Residents Federation.

8 Background Papers

8.1 Not applicable.

9 Appendices

9.1 None.