

**Meeting: Eastbourne Housing Investment Company Limited
Board of Directors (Company No. 09571387)**

Date: 23rd September 2021

Venue: Virtual (due to COVID-19)

Start: 10.00 am

Board of Directors

Present:

Board Directors:

Roger Eastwood (RE) (Chair)

Margaret Bannister (MB)

Ian Fitzpatrick (IF)

David Tutt (DT)

Staff

In Attendance:

Robert Cottrill, Chief Executive (RC)

Nathan Haffenden, Head of Commercial Business & Development (NH)

Gary Hall, Head of Homes First (GH)

Homira Javadi, Chief Finance Officer (HJ)

Jane McCarthy-Penman, Company Secretary (JMP)

Ola Owolabi, Deputy Chief Finance Officer (OO)

Simon Watts, Property Services Lead (SW)

Annie Wills, Head of Tourism & Culture (AW) - for item 8

Dan Johnston, Finance Officer (DJ) - observer

Item	PROCEDURAL MATTERS	ACTION
1.	Apologies for Absence Tim Whelan (TW)	Noted
2.	Declarations of Interest In accordance with section 177 of the Companies Act 2006 and the Articles of Association of the Company, Directors declared their interests as set out below: Margaret Bannister <ul style="list-style-type: none">● Eastbourne Liberal Democrats● Association of Liberal Democrat Councillors● Liberal Democrat Party	

	<p>Roger Eastwood</p> <ul style="list-style-type: none"> ● Director and Chair of EHL ● Director of SEILL ● Director and Chair of South Essex Homes ● Board Member of the NFA <p>Ian Fitzpatrick</p> <ul style="list-style-type: none"> ● Director of Regeneration and Planning (EBC/LDC) ● Managing Director (EHL) ● Director of Eastbourne Downs Water Company Limited ● Director of Lewes Housing Investment Company Limited ● Director of Eastbourne Downs Water Company Limited ● Director of Investment Company Eastbourne Limited ● Director of South East Environmental Services Limited <p>David Tutt</p> <ul style="list-style-type: none"> ● LGA Member Peer ● East Sussex County Council Councillor ● 3 Star Solutions – Consultant ● IESE Transformation Ltd ● EDEAL ● East Sussex County Council - East Sussex Pension Fund Committee Member ● IESE – Director ● Hazel Court School Governor ● People Matter Advisory Board ● Young Enterprise Board ● Association of Liberal Democrat Councillors ● British Computer Society ● Communication Managers Association, National Trust ● Save the DGH Campaign ● Eastbourne Sussex Fire Authority Member ● Member of the Executive Committee of Aspiration Homes LLP ● Director of South East Environmental Services Limited <p><i>In reference to item 6, David Tutt declared an interest as an Executive Committee Member of Aspiration Homes LLP. Therefore, in respect of communication relating to the sale of Victoria Mansions to EHICL, he did not enter into any discussions.</i></p> <p>It was noted that notwithstanding any such interests, all Directors were entitled to vote at, and be counted in the quorum of, the meeting.</p>	
3.	<p>Minutes of Previous Meeting of the 24th June 2021</p> <p>Agreed.</p>	Noted
4.	<p>Matters Arising</p>	
5.	<p>Outstanding Board Actions</p>	

	<p>This report provided the Board with a checklist and audit trail of actions arising from previous Board meetings. The Board noted that out of five actions:</p> <ul style="list-style-type: none"> • 4 remained ongoing • 2 were complete <p>Given due regard to Duty 2, Section 172 CA (06) Recommendation and Resolution by the Board: The Board is asked to</p> <ul style="list-style-type: none"> • Note the report and the position of the outstanding actions. 	
Business Matters		
Confidential Matters Part A		
6.	<p>Part A- Performance Report for the period ending 30th June 2021 & Part B- Draft 2020/21 Draft Financial Statements Financial Performance for the</p> <p><i>Confidential – not for publication</i></p>	
7.	<p>Update on Victoria Mansions</p> <p><i>Confidential – not for publication</i></p>	
<i>AW joined the meeting at 10.30 am.</i>		
8.	<p>Update on Victoria Mansions – Holiday Lettings</p> <p><i>Confidential – not for publication</i></p>	
<i>AW left the meeting at 10.46 am.</i>		
Non-Confidential Matters Part B		
9.	<p>Asset Portfolio Valuation Proposal</p> <p>This report set out proposals to appoint an independent local Registered Valuer of the Royal Institute of Chartered Surveyors (RICS) to undertake a market value assessment of the EHICL property portfolio following a competitive pricing exercise.</p> <p>The EHICL Board previously requested an updated valuation of the whole property portfolio to be undertaken in order to determine the current levels (market value and market rental value) to support the company accounts and the rent setting process for 2022/23.</p> <p>It was noted that as a commercial entity, the Board should be periodically reflecting on changes in the market and considering how those might influence future decisions. It was recommended that a local valuer be appointed, with direct and current experience of the Eastbourne property market, to provide an accurate reflection in the circumstances (specifically the local impacts of Brexit and Covid-19) and reduce any reliance on broad national assumptions.</p>	

	<p>Given due regard to Duty 2, Section 172 CA (06) Recommendation and Resolution by the Board: The Board is asked to</p> <ul style="list-style-type: none"> • Authorise the Head of Commercial Business & Development (EBC) to appoint Kingston Morehen Chartered Surveyors of Eastbourne to undertake a valuation of the whole property portfolio to determine the current market values and market rental values to inform future accounting processes and rent setting procedures. • Noting this authorisation is to include determining the Terms of Engagement, executing all necessary documentation, and arranging for the relevant payment(s) to be made, using the quote provided and based on the size of the portfolio at the point of instruction. 	
10.	<p>Rent Arrears and Tenancy Management</p> <p>This report provided an update on the position of arrears and any action that is being taken on any EHICL owned property as at the 30th June 2021 (Q1), and to update on tenancy and property management arrangements for EHICL properties.</p> <p>It was noted that the arrears had increased slightly. These increases started in April as customers are now starting to find challenges.</p> <p>It was noted that enforcement action has now started on those high accounts.</p> <p>At the next Board, there will be a report on the management of former tenant arrears.</p> <p>It was further noted in respect of voids, we have been experiencing issues of supplies (reported by Mears).</p> <p>Given due regard to Duty 2, Section 172 CA (06) Recommendation and Resolution by the Board: The Board is asked to</p> <ul style="list-style-type: none"> • Note the report 	
11.	<p>Health & Safety Update</p> <p>The Board considered the report.</p> <p>It was noted that the Homes First Property Services Lead provided regular updates to the Councils' CMT regarding health and safety, in particular emerging legislation. These reports are based on the on-going management of the housing stock and not Building Council functions elsewhere within the Councils.</p> <p>New legislation is being passed in response to Dame Judith Hackitt's report "Building a Safer Future" produced in response to the Grenfell tragedy.</p> <p>The Board noted:</p> <ul style="list-style-type: none"> • That the stock condition survey focusing on building component renewal timescales to inform the business plans of each local authority be extended to include EHICL'S assets. The data will provide some indication of where more 	

	<p>focussed surveys need to be commissioned, but not necessarily everything. In advance of a full analysis of the new data, the Asset Manager is interrogating the existing information we have to identify more recently acquired properties and those with uncertain data. These will be inspected, and the relevant FRA commissioned if necessary.</p> <ul style="list-style-type: none"> • Using the stock data, other properties containing a number of flats, but without common parts will be identified. These have long been ignored by the Regulations and should be included within Homes First’s policy as they can represent a significant risk. • CMT are considering the appointment of ‘Responsible Persons’ proposed under the Building Safety Bill. Although not legislation yet, it is worth consideration, remembering that this ‘person’ will change from the construction/refurbishment phase to on-going general management. The management of project records is something probably worthy of a ‘health-check’ • The scale of inspection and works arising from more intensive FRAs is yet unknown, in preparation. Type 3 surveys are already being undertaken. • An additional temporary resource has also been agreed to undertake further stock surveys where needed, including those to EHICL assets, however recruitment is proving problematic. • Outsourcing of FRA is to be considered by the Property Services Lead in the light of the above. • A documented process for FRA management actions is being implemented • The South East (Procurement) Consortium (SEC) of which we are a member has sent a new Fire Safety Framework out to tender. This will be available to us, should we choose for fire consultancy and remedial works including FRAs, passive works (including cladding and fire stopping), fire alarms and sprinklers. • SEC is supporting the sector with research projects, one of these focusses on Maintaining Building Safety, which is chaired by Paul Nash who is part of Dame Judith Hackitt’s Steering Group. We will have access to best practice proposed by that group. <p>It was noted that the team have adopted Type 3 Risk Assessments.</p> <p>It was confirmed that the original Business Case and loan anticipated repairs, further to consideration at a future Board meeting.</p> <p>Given due regard to Duty 2, Section 172 CA (06) Recommendation and Resolution by the Board: The Board is asked to</p> <ul style="list-style-type: none"> • Note the report 	
<p>12.</p>	<p>KPI & Compliance Data Q1, 2021/22</p> <p>This report provided the Board with the KPI and compliance data performance health check for the EHICL portfolio.</p> <p>It was noted that the only area of concern was the continued difficulty in obtaining fire doors. There has been a dramatic increase in cost. This will affect Gowland Court, with only one means of escape.</p> <p>It was noted that supply orders had been raised.</p>	

