

**Meeting: Eastbourne Homes Limited Board of Directors  
(Company No. 5340097)**

**Date: 17<sup>th</sup> December 2020**

**Venue: Virtual (due to COVID-19)**

**Start: 4.30 pm**

**Board of Directors**

**Present:**

**Board Directors:**

Roger Eastwood (RE) (Chair)  
Louise Pearce (LP) (Vice-Chair)  
Sheilah Roberts (SR) (Vice-Chair)  
Paul Gunnell (PG)  
Colin Belsey (CB)  
Mary Hope (MH)  
Gina Morgan (GM)  
Candy Vaughan (CV) from 5.23 pm

**EHL Staff**

**In Attendance:**

Ian Fitzpatrick, Managing Director (IF)  
Gary Hall, Head of Homes First (GH)  
Homira Javadi, Chief Finance Officer (HJ)  
Paul Jemetta, Interim Finance Business Partner (PJ)  
Jane McCarthy-Penman, Company Secretary (JMP)  
Ola Owolabi, Deputy Chief Finance Officer (OO)  
Seanne Sweeney, Strategy & Corporate Projects Officer (SS)  
Ross Sutton, Head of Financial Planning (RS)  
Simon Watts, Property Services Lead (SW)

Item	PROCEDURAL MATTERS	ACTION
1.	<p><b>Apologies for Absence</b></p> <p>Tim Whelan Paul Turton</p>	Noted
2.	<p><b>Declarations of Interest</b></p> <p>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:</p> <p><b>Roger Eastwood</b></p> <ul style="list-style-type: none"><li>• Board Director and Chair at South Essex Homes Limited</li><li>• Board Director at Eastbourne Housing Investment Company Limited</li><li>• Board Member – National Federation of ALMOs</li></ul> <p><b>Mary Hope</b></p> <ul style="list-style-type: none"><li>• Wealden CAB</li><li>• Board Director and Chair, Sussex Housing and Care</li></ul> <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><b>Minutes of Previous Meeting of the 17<sup>th</sup> September 2020</b></p> <p>Agreed, subject to adding a 'd' to 'note' on page 9.</p>	Noted
4.	<p><b>Matters Arising</b></p> <p>None.</p>	
5.	<p><b>Outstanding Board Actions</b></p> <p>This report provided the Board with a checklist and audit trail of actions arising from previous Board meetings.</p> <p>The Board noted the progress on the actions.</p> <p>The Chair advised that if we were looking to benchmark, then we should look at HouseMark, despite withdrawing our membership a couple of years ago.</p> <p>It was noted it is possible to negotiate a get price for membership currently.</p> <p><b>Given due regard to Duty 2, Section 172 CA (06)</b>  <b>Recommendation and Resolution by the Board:</b>  <b>The Board</b></p> <ul style="list-style-type: none"> <li>• <b>Noted the report and the progress on outstanding actions to date</b></li> </ul>	GH
<b>Business Matters</b>		
<b>Non-Confidential Items - Part A</b>		
6.	<p><b>1. Draft Reserves Policy</b>  <b>2. Reserves Policy &amp; Implications for 2019/20 and future arrangements</b>  <b>3. Going Concern &amp; Letter of Comfort</b></p> <p>This report provided an update on the EHL's Reserves Policy, following the reporting of 2019/20 financial position and the recommended annual review of the policy.</p> <p>The Deputy Chief Finance Officer gave a presentation to Board covering all three aspects of the report. This set out the reserve process and a draft timetable for the auditing and approval of the annual accounts.</p> <p>This presentation covered:</p> <ul style="list-style-type: none"> <li>• Appropriate Level of Reserve</li> <li>• EHL Reserve Policy</li> <li>• Responsibilities</li> <li>• Policy Implementation Process</li> <li>• Final Accounts Adjustments</li> <li>• Accounts &amp; Final Audit – updates</li> </ul> <p><b>Reserves</b></p> <p>It was noted that is the responsibility of the Chief Finance Officer to advise on the level of reserves that it should hold and to ensure that there is clear protocols for their establishment and use.</p>	

<p>For clarity, the Board noted that within local government legislation, the minimum level of any reserve is not quantified, and it is not considered appropriate or practical for the Chartered Institute of Public Finance and Accountancy (CIPFA), or other external agencies, to give prescriptive guidance on the minimum, or maximum, level of reserves required either as an absolute amount or a percentage of the budget.</p> <p>It was noted that in assessing the level of reserve appropriate for EHL, the CFO has taken into consideration:</p> <ul style="list-style-type: none"> <li>• EHL’s track record in financial planning and management</li> <li>• Risk and probability of loss of the Management Fee</li> <li>• Risk and probability of increase in costs</li> <li>• Capacity and ability to manage budget pressures</li> <li>• Available financial information and management reports</li> <li>• Adequacy of the company’s insurance arrangements to cover major unforeseen risks</li> </ul>	
<p>A question was asked as to whether we should add to the policy in section 1.1, that we protect ‘EHL subsidiaries’. This was agreed.</p>	Complete
<p>It was further noted that:</p> <ul style="list-style-type: none"> <li>• the Reserve policy relates to revenue reserve</li> <li>• the Reserve Policy will be <i>retrospectively</i> implemented from March 2020 as discussions and decisions in respect of the reserves took place at the meeting of the Board on the 12<sup>th</sup> March 2020</li> <li>• the Reserve is the amount of “profits” set aside to meet future contingencies or any unforeseen financial shortfall</li> <li>• the Recognised that accumulated balances have increased in recent years due to operating underspend</li> <li>• EBC has set aside a dedicated EHL earmarked Reserve to provide sufficient financial resilience against: <ul style="list-style-type: none"> <li>○ Unforeseen financial pressures/events/emergencies</li> <li>○ Contingencies</li> <li>○ Additional expenditure requirements, etc</li> </ul> </li> </ul>	Complete
<p><b>Going Concern – Audit Requirements</b></p> <p>It was noted that the concept of a ‘going concern’ assumes that a trading company (i.e., EHL), its functions and services will continue in operational existence for the foreseeable future. This assumption therefore underpins the accounts drawn up and the financial reporting framework that has been applied in their preparation under the applicable law.</p> <p>It was further noted that as with all trading companies, EHL as a company is required to compile its financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).</p> <p>In accordance with the UKGAPP the financial statement is prepared assuming that the Company will continue to operate in the foreseeable future and that it is able to do so within the current and anticipated resources available. By this, it is meant that the Company will realise its assets and settle its obligations in the normal course of business.</p> <p>Therefore, the Council is required to provide an assurance statement/letter to EHL stating the Council support their position. This will enable EHL to give</p>	

	<p>SEILL the letter of support for going concern also.</p> <p><u>The proposed Audit timetable for 2021:</u></p> <p>RSM with outstanding audit samples/working papers (<b>22<sup>nd</sup> December</b>)  RSM follow-up/review of submitted working papers (<b>between 4<sup>th</sup>-14<sup>th</sup> January</b>)  Conclusion of Audit meeting – Officers and RSM Auditors (<b>15<sup>th</sup> January</b>)  Board Meeting – EHL Accounts Approval (<b>28<sup>th</sup> January</b>)</p> <p>The Board thanked the Finance Team for a detailed presentation and were happy with the re-worked policy, subject to the two suggested amendments.</p> <p><b>Given due regard to Duty 2, Section 172 CA (06)</b>  <b>Recommendation and Resolution by the Board:</b>  <b>The Board</b></p> <ul style="list-style-type: none"> <li>• <b>Noted the report and presentation</b></li> <li>• <b>Approved the draft Eastbourne Homes Limited (EHL) Financial Reserve Policy and Process, subject to the two suggested amendments</b></li> <li>• <b>Noted and approved the implications for 2019/20 and future arrangements</b></li> <li>• <b>Noted and approved the transfer of £1.8m EHL reserve to the Council</b></li> <li>• <b>Noted and approved the ‘Going Concern &amp; Letter of Comfort’</b></li> </ul>	
7.	<p><b>Update on the Review of the Corporate Plan &amp; New 5 Year Business Plan</b></p> <p>This report provided an up-date on work to produce a new Corporate Plan and 5 Year Business Plan. A proposed new Corporate Plan was presented to the Board which reflected the input of the Board Subgroup following initial review in September 2020.</p> <p>The Corporate Plan was last reviewed in 2013, and the production of a new plan is a prioritised brought forward action in the Annual Service Plan for 2020/2021.</p> <p>The proposed new Corporate Plan covers the period April 2020 to March 2025. This is in line with the next 5 yearly review date under the latest Management Agreement. It follows previous formats in including: a revised Mission Statement, Vision and Values.</p> <p>Appendix 2 presented to Board, set out draft Business Plan objectives and commitments for the same period to help provide context for the proposed new Corporate Plan and as a basis for the new 5-year Business Plan.</p> <p>It was noted that the Subgroup reviewed and re-affirmed the strategic context for the proposed new Corporate Plan and asked that:</p> <ul style="list-style-type: none"> <li>• plain English versions of the Corporate Plan were produced for circulation to stakeholders</li> <li>• the new Business Plan included supporting clarification on who EHL’s stakeholders are</li> <li>• the new Business Plan considered the recent Government social housing White Paper, The Charter for Social Housing Residents and incorporated all new legislative and compliance requirements</li> </ul>	

	<p>It was noted that the proposed new Corporate Plan anticipates the ambitions contained in the White Paper to raise the standards of social housing and will hopefully support EHL to play a leading role in working with residents to improve services and homes.</p> <p>It was noted that the intention was to produce the new Business Plan for Board sign off in March 2021, following further work on it.</p> <p>The Managing Director thanked the group who worked on this activity.</p> <p>A question was asked why it stated 'could' on page 31, rather than would etc? It was confirmed that a discussion took place in respect of the phrasing of that section and it was considered to be a 'could' as it would be dependent on whether EHL could pursue at that point in time? It was 'non-committal'. It was agreed this would be reviewed.</p> <p>After further discussion in respect of the wider context, it was agreed that this would be represented to the Board in March with further detail.</p> <p><b>Given due regard to Duty 2, Section 172 CA (06) Recommendation and Resolution by the Board:</b> <b>The Board</b></p> <ul style="list-style-type: none"> <li>• <b>Noted the Corporate Plan</b></li> <li>• <b>Noted the draft Business Plan Objectives/Commitments</b></li> <li>• <b>Agreed the final version would be presented to the March 2021 Board</b></li> </ul>	<p>Complete</p> <p>Complete</p>
<p><i>CV/GH/RT/SW joined the meeting at 5.23 pm</i></p>		
<p>8.</p>	<p><b>Report of the Head of Homes First</b></p> <p>This report provided the Board of Directors with a summary of key high priority issues that did not warrant a separate report.</p> <p>It covered:</p> <ul style="list-style-type: none"> <li>• Performance Health Check Quarter 2, 2020/21</li> <li>• Stock Investment and Sustainability Work</li> <li>• Safeguarding General Needs and Retirement Housing</li> <li>• Legal Fees</li> <li>• Rent arrears and action plan, including Mobysoft benchmarking Quarters 1 and 2</li> <li>• Tenant Involvement Strategy Update</li> <li>• Anti-Social Behaviour Policy</li> <li>• Information Governance Q2</li> <li>• Review of Annual Plan 2019/20 – outstanding Milestones</li> </ul> <p>The Board noted the positive performance for Q2, noting Q3 has gone back to normal levels of service.</p> <p>The Board acknowledged the reducing rent arrears and thanked the team for their hard work.</p> <p>The report from Mobysoft was noted.</p> <p>The Board were advised that due to COVID-19, there have been some</p>	

	<p>difficulties with voids during Q1 and Q2.</p> <p><b>ASB Policy</b> The Board noted and approved the ASB Policy previously circulated with no fundamental changes to that draft.</p> <p><b>Agreed the revisions to the Annual Plan 2019/20 outstanding and their reporting</b> The Board noted and agreed to the recommendations in respect of the outstanding actions and the change of reporting (as set out in the report).</p> <p><b>Given due regard to Duty 2, Section 172 CA (06)</b> <b>Recommendation and Resolution by the Board:</b> <b>The Board</b></p> <ul style="list-style-type: none"> <li>• <b>Noted the contents of report</b></li> <li>• <b>Approved the ASB Policy previously circulated with no fundamental changes to that draft</b></li> <li>• <b>Agreed the revisions to the Annual Plan 2019/20 outstanding milestones and their reporting</b></li> </ul>	
9.	<p><b>The Charter for Social Housing Residents (White Paper)</b></p> <p>This report provided the Board with the key points of the Government’s White Paper – The Charter for Social Housing Residents. It aimed to provide assurance of Homes First’s ability to meet the challenges and expectations contained within the White Paper and highlighted steps already taken.</p> <p>In August 2018, the Government published the Green Paper – A New Deal for Social Housing. The Green Paper set out 5 core themes:</p> <ol style="list-style-type: none"> <li>1. Tackling stigma and celebrating thriving communities</li> <li>2. Expanding supply and supporting home ownership</li> <li>3. Effective resolution of complaints</li> <li>4. Empowering residents and strengthening the regulator</li> <li>5. Ensuring homes are safe and decent</li> </ol> <p>Whilst the White Paper – The Charter for Social Housing Residents does not deal with all these aspects in full, Homes First has, since 2018 been working to develop its’ response to anticipated changes and is well placed to meet the challenges and expectations contained within The Charter. In particular, they:</p> <ul style="list-style-type: none"> <li>• Commenced a full stock condition survey and implementation of a range of safety works to proactively address anticipated requirements of the Building Safety Bill and the Hackett Review (Building a Safer Future)</li> <li>• Developed a Homes First Performance Management Framework and strengthened data gathering and reporting</li> <li>• Established the Customer Experience Team, whose core remit draws together many of the key aspects of The Charter (Performance Management and Reporting, Complaints, Pro-active Consumer Regulation, Tenant Involvement)</li> <li>• Published and implemented a new Tenant Involvement Strategy (2019-2022)</li> </ul> <p>It was noted that much of The Charter will require legislation which will cause a delay in implementation. The Board, however, were assured that Homes First Strategic Leadership Team continue to assess and address the requirements</p>	

	<p>proactively and proportionately, whilst awaiting the detail. Of the immediate requirements, it was noted that they will:</p> <ul style="list-style-type: none"> <li>• Undertake self-assessment of and demonstrate compliance with the Housing Ombudsman Complaints Handling Code by 31 December 2020</li> <li>• Respond to the current consultation on mandating smoke and carbon monoxide alarms in social housing by 11 January 2021</li> </ul> <p>The Board were provided with two tables, table 1, below set out the key requirements of The Charter, along with Service Lead comments of status/progress in Homes First.</p> <p>Table 2 detailed the new tenant satisfaction measures proposed by the Charter, along with details of which of these Homes First already monitor as key performance indicators.</p> <p>It was noted that this was a good report and that early action taken to address aspects of the 2018 Green Paper have placed us in a strong position to respond effectively to the challenges and expectations of The Charter for Social Housing Residents.</p> <p>The Board noted the informative tables which were well put together and meaningful. It was confirmed that the Board would receive regular updates as and when legislation comes in.</p> <p>It was confirmed that following presentations that were carried out in respect of the Green Paper, the reference to 'stigma' had been removed, as well as 'National Tenants Voice'. It was further confirmed that the publishing 'home ownership' has also been turned down.</p> <p><b>Given due regard to Duty 2, Section 172 CA (06) Recommendation and Resolution by the Board: The Board</b></p> <ul style="list-style-type: none"> <li>• <b>Noted the report</b></li> </ul>	
10.	<p><b>Homes First Health &amp; Safety Policy</b></p> <p><i>An update on this policy is required by the Board on an annual basis.</i></p> <p>The Board were reminded that - Section 2, paragraph 3 of the Health and Safety at Work Act 1974 states that:</p> <p><i>(3) Except in such cases as may be prescribed, it shall be the duty of every employer to prepare and as often as may be appropriate revise a written statement of his general policy with respect to the health and safety at work of his employees and the organisation and arrangements for the time being in force for carrying out that policy, and to bring the statement and any revision of it to the notice of all of his employees.</i></p> <p>It was noted that the Chief Executive (LEC) recently requested a paper on the impact of the Building Safety Bill for Homes First. A copy of this paper was provided to the Board for information.</p> <p>It was confirmed that the White Paper: Price Evaluation Models for the Housing Sector, is designed to ensure value for money in procuring large scale works in relation to health and safety. This paper is currently being reviewed in</p>	

	<p>conjunction with South East Procurement Consortium and the new Procurement Manager.</p> <p>It was further noted that the Housing White Paper has wider implications for Homes First and there is significant cross-over between the two pieces of proposed legislation. This could be clarified during the Committee stages.</p> <p>As these two pieces of legislation progress through parliament, the implications for the Homes First and EHL's Health and Safety Policy will be monitored and it is likely that a revised policy document will be produced in conjunction with Legal Services in due course.</p> <p>It was noted that in the meantime, the team continues to monitor advice and guidance through HQN, SEC (South East Procurement) Consortium, Devonshires and Trowers and Hamlin who provide regular updates.</p> <p>It was noted that there was a bullet point missing in the policy under compliance which should read 'lifts'.</p> <p>It was further noted that EHL will be providing a report to the Shareholder reporting back on health and safety and compliance.</p> <p><b>Given due regard to Duty 2, Section 172 CA (06) Recommendation and Resolution by the Board: The Board</b></p> <ul style="list-style-type: none"> <li>• <b>Noted the contents of the report and its appendices</b></li> </ul>	Complete
<p><i>RT left at 5.48 pm</i> <i>SS joined at 5.48 pm</i></p>		
11.	<p><b>Safeguarding Policy</b> <i>An update on this policy is required by the Board on an annual basis.</i></p> <p>In October 2018, the Board adopted the new joint Safeguarding Policy which aligned policies and processes to ensure a consistent approach which supported us to meet our statutory duties.</p> <p>In May 2019, a self-assessment return was completed for the East Sussex Safeguarding Adults Board (SAB) and subsequently in October a refresh of the Safeguarding Policy was undertaken to incorporate some administrative and operational updates. These updates enabled the councils to achieve a 'green' rating overall for the self-assessment. A self-assessment was also completed for the East Sussex Safeguarding Children's Partnership (ESSCP, formally the Local Children's Safeguarding Board) was completed in July of this year although we are yet to receive feedback on that.</p> <p>It was noted that the Safeguarding Lead continues to ensure that relevant learnings, outcomes, and updates are disseminated to the pool of Safeguarding Contacts who are the named officers across all departments of the councils that take a 'champion' role in safeguarding. In house safeguarding training for Homes First staff is scheduled for early next year, 2021.</p> <p>The Board noted the policy and its revisions.</p> <p><b>Given due regard to Duty 2, Section 172 CA (06) Recommendation and Resolution by the Board:</b></p>	



	<p><b>The Board</b></p> <ul style="list-style-type: none"> <li>• <b>Noted and adopted the policy</b></li> </ul>	
<b>Information Items</b>		
12.	<p><b>Report back from:</b></p> <ul style="list-style-type: none"> <li>• <b>SEILL Board</b></li> <li>• <b>Service and Performance Committee</b></li> <li>• <b>Audit and Risk Committee</b></li> </ul> <p>This report provided the Board with the minutes of the SEILL Board and the Service and Performance Committee and Audit and Risk Committee during quarter two of 2020/21.</p> <p>The Board noted the following:</p> <ul style="list-style-type: none"> <li>• Minutes of the SEILL Board, 17<sup>th</sup> September 2020</li> <li>• Minutes of the Service and Performance Committee, 12<sup>th</sup> November 2020</li> <li>• Minutes of the Audit and Risk Committee, 19<sup>th</sup> November 2020</li> </ul> <p><b>Given due regard to Duty 2, Section 172 CA (06)</b>  <b>Recommendation and Resolution by the Board:</b>  <b>The Board</b></p> <ul style="list-style-type: none"> <li>• <b>Noted the report</b></li> <li>• <b>Noted the minutes of the SEILL Board</b></li> <li>• <b>Noted the minutes for:</b> <ul style="list-style-type: none"> <li>○ <b>Service and Performance Committee</b></li> <li>○ <b>Audit and Risk Committee</b></li> </ul> </li> </ul>	
13.	<p><b>Any Other Business</b></p> <p><b>Registered Office</b>  The Board noted that as 1 Grove Road, Eastbourne will close on the 31<sup>st</sup> December 2020, the registered office for EHL and its subsidiary, SEILL will be changed to the Town Hall, Grove Road, Eastbourne BN21 4UG.</p> <p>The statutory documents will be relocated to the Town Hall prior to the 31<sup>st</sup> December 2020.</p> <p>The new company plaque will be placed outside of the Town Hall.</p> <p>The relevant changes will be made at Companies House.</p>	
<b>Meeting closed at 5.58 pm</b>		
<p><b>Signed:</b> _____ <b>Print:</b> _____</p> <p><b>Position:</b> _____ <b>Dated:</b> _____</p>		