



**BELLE ISLE
TENANT MANAGEMENT ORGANISATION**

BOARD MEETING

AGENDA AND PAPERS

Wednesday 27th April 2022 at 6.00pm

**BITMOs GATE
Aberfield Gate
Belle Isle
(With remote access available)**

Note:

This is the agenda and papers for the Full Board of Belle Isle Tenant Management Organisation (BITMO)

For each item on the agenda there is narrative describing any issues and details of any recommendations requiring Board approval, where appropriate there may be separate reports attached as an appendix

Part A of the Board meeting and related papers are open to the public

Part B is reserved for matters confidential to the Board

Board members who wish to discuss any area of the board papers that requires further information or clarification are welcome to contact Leon Kirkham (Chair) or Deborah Kelly (CEO) via Karen Hoole 0113 378 2182

FULL BOARD MEETING

Meeting to be held on
Wednesday 27th April 2022
at BITMOs GATE at 6.00pm
(With online access available)

***WOULD BOARD MEMBERS PLEASE PASS ANY ITEMS FOR 'ANY OTHER BUSINESS' TO THE CHAIR
BEFORE THE START OF THE MEETING***

Part A – Public Agenda Items

- Apologies
- Questions from the public
- Issues raised by Board members for the agenda

There will be one minutes silence in memory of John Shaw, who very sadly passed away on Easter Sunday. John was the first volunteer working in the GATE.

1. Training & discussion topic: Lettings & Tenant Support
How we let properties and support our tenants (*page 4*)
2. Minutes and Matters Arising from the Board meeting of 5th April 2022 (*page 4 and Appendix 1, page 11*)
3. Scheduled Reports
 - Revenue Budget 2022-23 (*page 5*)
 - Community Fund (*page 8*)
 - Tenant Health Needs and Cost of Living Review (*page 9*)
4. Any other business (*page 10*)

Part B – Confidential Items

No items

BITMO Board meeting 31st March 2022

Executive Summary

Agenda item	Topic	Why is this important	What can BITMO do as a result	What are the Board being asked to do
Board Training	How we let properties and support our tenants	Letting and tenant support is central to BITMO's purpose.	Continual review to further enhance processes.	Take part in the training and raise any queries and suggestions for even more efficient working.
Scheduled reports	1. Revenue Budget 2022-23.	To further consider the potential variables in budget planning.	Allows monitoring and planning of spend.	Approve the Revenue budget for 2022-23.
	2. Community Fund.	The Community Fund was established to aid the Community by investment in the estate and its tenants.	Undertake the first full year of projected spend in line with the Reserves Policy.	Agree upon the Community Fund budget for 2022-23.
	3. Tenant Health and Cost of Living Review	There is an increased need to invest in health and wellbeing in the community and to help alleviate the Cost of Living Crisis	Agree on the way in which spend can have the maximum impact on helping the Belle Isle Community with health and wellbeing and to cope with the Cost of Living Crisis.	Approve the establishment of a mechanism for exploring development options.
Any Other Business	To consider any other business that the Board or members of the public have asked to be considered in advance of the meeting.	The opportunity to raise issues which affect residents is an important aspect of good governance of a tenant management organisation.	BITMO should always be open to good communication channels with residents.	Review and if necessary learn and act on issues raised where feasible.

Part A – Public Agenda Items

Apologies: To be reported at the meeting.

Questions from the Public: All BITMO Board meetings are open to the public. This part of the meeting is set aside for questions to the Board from the public. Time and venue of Board meetings are advertised on the web site. Minutes from previous meetings are also available on the web site.

Issues raised by Board members: If Board members have issues that they wish to raise that are not included on the agenda these should be discussed with the Chair **before** the meeting starts.

1. Bitesize training – Lettings and tenant support services

The Tenancy Support Manager will explain current letting policies and processes and some of the ways in which tenants are supported.

Recommendation

Board is asked to discuss and consider any implications for work strategies going forward.

2. Minutes and Matters Arising

In this part of the meeting the Board will consider the minutes and matters arising from the **Full Board Meeting held on 5th April 2022 (Appendix 1)**. The table below summarise some of the matters arising from these meetings and other issues that have arisen since.

Full Board 5th April 2022

Item	Update
Board equality and diversity training.	Treating people fairly training is being sourced. Attendance should be compulsory. Cando Training (with Tim Morton) has provided previous training and potential dates and costs are being researched. More than one session could be arranged to accommodate everyone
Capital investment programme	Following challenging circumstances as previously reported, costs are still being pushed through the system so as to finalise the spend result for the year.
Staff Survey	It was agreed to establish a working group to create an action plan, comprising Board members and up to two union representatives.
Board attendance	Following the low numbers of Board members that had attended the staff survey feedback and the public health session, there is a need to consider how to get more Board members to attend such events, including looking at differing locations.

Recommendation

Board is asked to accept the draft minutes of the Board meeting of 5th April 2022 and note any matters arising.

3. Scheduled Reports

3.1 Revenue Budget 2022-23

Proposed budget by activity area

Expenditure	Budget 2021-22 £	Draft Budget 2022-23 £	Variance 2021-23 £	Commentary	Notes
Responsive Repairs	1,259,829	1,264,732	4,903	Current underspend on 2021-22 budgets indicated by management accounts.	1
Cyclical Maintenance	533,713	556,251	22,538	Increased gas and electrical servicing costs to ensure compliance.	2
Other Staffing Costs	1,025,042	1,034,523	9,481	Increments, inflation and increased NI costs.	3
Office Overheads	244,784	262,774	17,990	Assumed element of Internal Audit and recruitment costs.	4
Service Level Agreements	58,881	58,881	0	LCC has agreed to keep levels static but with a review in 2023-4	5
Retirement Life	82,345	93,205	10,860	Increased cleaning and repair costs.	6
Office Improvements	5,040	0	(5,040)	Prior year project withdrawn.	7
Total Expenditure	3,209,633	3,270,365	60,732		
Income					
Management Fees, Grants, Misc	3,161,610	3,236,688	75,078	Increase in LCC fees of £87k due to inflation.	8
(Deficit) on normal operating activities	(48,023)	(33,677)	14,346		
Other costs and contingencies:					
One-off expenditure	(i) Electrical	(51,420)			9
	(ii) Voids	(36,692)			10
Contingencies	Staff costs	(28,798)			11
(Deficit) after exceptional items		(150,587)			
Community Fund costs		(70,000)			12
Reduction in Reserves 2022-23		(220,587)			

Notes:

- 1a. Database issues means some current uncertainty about overall responsive repair costs.
- 1b. Main contractor estimates inflation at 5% in accordance with ongoing dialogue
2. Main gas contractor inflation uplift at 3.7% as per contract
- 3a. LCC payroll inflation indicator 3.75% (2% current instruction plus 1.75% backdated pay)
- 3b. National Insurance increase of 1.25% re Health & Social Care Levy
4. Office costs increased by inflation expectation of 7.4% but also include spend on internal audit (£3k), increased gas and electricity costs (£4k) plus insurance increases (£5k) following increased claims, some reallocation of office alarm costs as well as elements of grant expenditure which are matched by income (£3k).
5. No increase in Service Level Agreement costs confirmed by LCC for 2022-23, but a review will be required for 2023-24.
6. Retirement Life costs increases due to extra cleaning, utility and equipment repair costs.
7. Possible office improvements 2022 yet to be quantified.
8. LCC fees 2022-23 confirmed.
9. One-off electrical testing spend necessary due to underspend in prior years.
10. Two fixed term posts agreed by Board to aid property lettings to tenants.
11. Contingency re staff costs.
12. Community Fund spend as detailed in the Reserves Policy.

The following items were noted at the last Board meeting:

- (i) Although budgeting includes an estimated 2% salary increase as indicated by LCC, it would seem prudent to have a contingency in case ongoing negotiations eventually result in a higher amount. A contingency of 2% has therefore been included as a separate item.
- (ii) The high level of Voids during the pandemic led to a financial penalty rather than an incentive during 2021-22. The number of empty properties remained high at around 30 at the 2021-22 year end. The current target figure set by Leeds CC is some 15 properties. There is a recognition that it will take time and resources to reduce the number back down to target. Board approved two fixed term posts at the meeting on 5th April to aid this process. If the target is reached by September 2022 then there will be a penalty in the first half of the financial year of some £16k and this has been provided for in the estimates. Negotiations are ongoing with LCC to remove this potential penalty, as void pressures are not unique to BITMO at present.
- (iii) General inflation has been adjusted to 7.4% from 5% in line with the Consumer Prices Index expectation at 31.3.22.

The figures above indicate a near break even position on normal operating activities, which is important in the long term. In the short term there are some reserves which could potentially be utilised to deal with the one-off expenditure and contingency.

In the 2021-22 financial year BITMO obtained some £196k of rebate on non-domestic rates. Several aspects of expenditure were put in place in knowledge of this income. They comprised some £22k of furniture for the retirement Life Common Rooms and £88k of spend associated with the Health and

Safety Compliance Action Plan. This means that some £86k of spend remains available for spend designation. It will be added to reserves at the year end.

BITMO Reserves					£
Reserves at start of financial year 1.4.21					1,485,090
Target free reserves					(750,000)
Available					735,090
Reduction per draft budget 2022-23					(220,587)
Projected balance 31.3.23					514,503
Available future spend for the Community Fund					<u>490,000</u>
					£70k pa for 7 years
Residue					<u>24,503</u>

It is likely that further sums will be added to these reserves figures as a result of the 2021-22 financial year. These comprise an estimated underspend on repairs (although the precise outcome of this is still being calculated), plus the balance of the non-domestic rates funds described above.

Summary

The proposed Revenue Budget for 2022-23 reflects the assumptions made above. Inflation is difficult to predict but 7.4% was the forecast for the Consumer Prices Index for 2022, at the end of March.

The above figures reflect estimates of spend which are in line with contractor expectations and general inflation levels, but also include some on-off expenditure and contingency planning.

A balanced budget is the aim. It may not be achieved in 2022-23, but it is believed that the margin is manageable. This is aided by the reserves position of BITMO.

The detail above show that even after the potential overall reduction of 2022-23 outlined above, some £500k of funds are available for spend on the estate and its services over future years. The current Reserves Policy anticipated that this will be spent over a number of years through the mechanism of the Community Fund. Recent discussions by the Board about the Health Needs Assessment Review have indicated that additional funding may need to be released in order to best serve the residents of Belle Isle Estate during the current Cost of Living Crisis.

3.2 Community Fund

Structure

The current Reserves Policy of BITMO outlines the following expected annual spend from reserves, subject to annual budget approval by the Board.

Category	Scope	Decision responsibility	Sum designated per annum
Property and estate enhancement	Fencing, seating, planting	Board	£40k
Green Strategy	Green energy solutions, planting	Panel	£5k
Training and qualifications	Paid for qualifications up to £1k p.a 50% contribution	Panel	£5k
Decorating and minor works	1 room per 3 years 50% financial contribution	Panel	£10k
Tenancy sustainability	Provision of household goods	Panel	£5k
Voluntary Group initiatives	Grants up to £500 p.a	Board	£5k
Total			£70k

It has been reported above that the current year proposed revenue budget reduction from reserves would still leave an adequate level of free reserves to encompass considerable investment in the community.

It is proposed that Board approve a £70k spend on the Community Fund for 2022-23 under the existing mechanism.

3.3 Tenant Health Needs and Cost of Living Review

A Health Needs Review was introduced at the Board meeting held on 27th January 2022.

Discussions were then held with staff and with a collection of stakeholders on 31st March 2022.

Areas of consideration fall into three main categories:

- (i) Poverty
- (ii) Children and Families
- (iii) Adult Health

These issues are further compounded by the increasing Cost of Living crisis that is evidenced by rising fuel bills.

Further Development

There are many suggestions as to how the Board may wish to use reserves to address these issues going forward. Many of them are at an early stage of development.

It has been queried as to whether any of these will impact upon the Community Fund budget of £70k for 2022-23.

It is suggested that adequate reserves (over £500k) exist to enable the existing Community Fund mechanism to continue for 2022-23, with further review about integration with Health Needs Assessment work during the course of the year.

It is therefore proposed that a Finance Committee be established to take forward these enquiries and to report to Board on a regular basis.

Committee Terms of Reference:

- A standing sub-committee of the Board
- Chaired by either (i) the Treasurer or (ii) the Chair
- Meeting quarterly
- To review operational finances
- To prepare a Tenant Aid Action Plan (TAAP) to alleviate Health and Income needs

Recommendations

The Board is requested to

1. Approve the above Operating Revenue Budget for 2022-23, with a potential deficit of up to £150k including one off costs and potential contingencies.
2. Approve the proposed Community Fund spend of £70k for the year, under the existing mechanism.
3. Approval of the establishment of a Finance Committee to aid monitoring of budgets and development of a Tenants Aid Action Plan for future Board consideration.

4. Any Other Business

None presented in advance of the meeting.

Date of Next Meeting: 26th May 2022 at 6.00pm

APPENDIX 1

BELLE ISLE TMO FULL BOARD Minutes of a Meeting Meeting held on Thursday 5th April 2022

Present: Leon Kirkham (Chair)
Jean Burton
Cllr Paul Truswell
Cllr Sharon Burke
Harry Austin
Margaret Brown
Iris Crummack
Ashley Knowles
Lamin Makalo
Kay-Lee Marshall
John Oddy
Julie Rhodes

In Attendance: Deborah Kelly (Chief Executive Officer)
Peter Olver (Head of Governance & Finance)
Alex Orange (Head of Repairs, Maintenance and Investment)
Peter Sutton (Community and Tenant Support Manager)

PART A – Public Agenda Items

Apologies

Apologies were received from: Lisa Caley and Peter Greenwood (LCC attendee).

Questions from the Public

There were no members of the public present.

Issues raised by Board Members for the Agenda

There were no issues raised.

1. Training and Discussion Topic – Lettings & Tenant Support

It was noted that due to the re-arranged date of the meeting, the planned session could not take place and would be postponed to a later meeting.

2. Minutes and Matters Arising

Matters Arising from the Board meeting held on 27th January 2022:

Full Board 27th January 2022

Item	Update
Board equality and diversity training.	Treating people fairly training is being sourced. Attendance should be compulsory. Cando Training (with Tim Morton) has provided previous training and potential dates and costs are being researched. More than one session could be arranged to accommodate everyone.
Repairs IT implementation	An interim payment was made to the main contractor for works done whilst integration issues were resolved. This work was nearing completion.
Staff Survey	It was agreed to establish a working group to create an action plan, comprising Board members and up to two union representatives.
Board attendance	It was reported that low numbers of Board members had attended the staff survey feedback and the public health session. There was a need to consider how to get more Board members to attend such events, including looking at differing locations.

Recommendation

The Board was requested to NOTE the matters arising updates and to AGREE the January Board minutes as above.

NOTED AND AGREED

It was recommended that a Working Group of Board members and union representatives be established to take forward the Staff Survey project and create an action plan.

AGREED

3. Scheduled Reports

3.1 CEO Report

3.1.1 Post Covid Operations

The housing reception had been fully open 4.5 days per week since the 24th January. The GATE has been open three days per week while we have been carrying 1.5 vacancies. We have been developing the programme of activities being offered and offering a fuller programme at our retirement life schemes. With effect from 8th April the GATE opening hours will mirror those of the housing office except that we will also offer a late session on Thursday evenings until 6.30pm. The GATE programme for April is attached for information.

3.1.2 Internal Audit: Integrity of Data in the Stock Condition Database

Good Assurance was provided for the control environment as there are some minor control weaknesses that present a low risk to the control environment. There are controls in place to ensure Keystone is updated for Stock Condition Surveys and for planned and programmed works.

There are appropriate access rights within the system, however, the processes to ensure that access is regularly reviewed are currently being put in place and are yet to be embedded.

Acceptable Assurance was provided for compliance with controls as the control environment has mainly operated as intended although errors have been detected. Our data analytics work has identified that the controls in place in relation to transferring data from the previous PSteam system to Keystone have not always operated as intended. We found discrepancies between the installation date for the component in Keystone and the date the component was installed in the completed PSteam job in 24% of the jobs reviewed.

A programme of data reconciliation was underway and all anomalies were being corrected. When stock condition surveys are carried out as per the 10% sample, in future the correct component dates will be entered and sample checked.

The full Report was available on request.

3.1.3 Operational challenges

The operating environment had been made very challenging by the combination of CX implementation, Covid and Brexit. The replacement of Orchard with the Cx system had disrupted our performance significantly in relation to voids and repairs in particular. We had experienced problems raising orders, and processing voids. We have had no management information at all. A backlog of voids has built up as a result of problems with CX, and also as a result of Covid, and a shortage of labour to carry out the work. In addition, the number of tenancies terminating has increased by 40% as a result of the pent-up demand for moves that occurred during the last two years. This has meant that we have been dealing with in excess of 30 voids at any one time. This is three times the number that we normally work with and we do not have the resource in either the repairs team or the lettings team to manage this volume of work.

The pressures impact on the ability to:

- Inspect and specify and place orders for void work
- Obtain electric safety checks and asbestos inspection and removal
- Secure contractor resource to carry out the void work in a timely way
- Control the quality of work carried out through work in progress inspections and handovers
- Process applications, assessing eligibility, and suitability
- Arrange viewings and tenancy commencements

We carry a vacancy in the Governance and Finance team, and we do not think that we need to appoint to that role. It was proposed that we use that role on a 6-month basis to provide additional support to both the repairs and lettings teams as below:

- Temporary voids coordinator f/t
- Temporary lettings administrator p/t

Adding in extra resource for a six-month period would enable us to deal with the backlog of voids from a technical repairs and a lettings perspective. We would be able to deliver the quality and timeliness of service that customers deserve and the team want to provide. It would enable us to manage the contractor effectively and reduce relet times.

3.1.4 Policies for Approval

Two policies were presented for approval. The whistleblowing policy sets out clearly what whistleblowing is, and how people can raise concerns about fraud and wrong-doing. The policy has been considered by the trade unions and will be briefed out to teams.

The complaints policy was a slightly amended version of the policy that was approved in 2021. The changes to it bring it closer into line with the Housing Ombudsman Service Complaints Handling Code. In particular, the number of stages of the process, the independence of the investigating manager, and the complaint outcome requirements are clarified.

Recommendation

Board was requested to:

1. Discuss and comment on the contents of the report

NOTED

2. Note the outcome of the latest internal audit Integrity of Data in the Stock Condition Database

NOTED

3. Approve a temporary adjustment to the staffing structure to address short term operational challenges.

APPROVED

4. Approve the Whistleblowing policy

APPROVED

5. Approve the amended Complaints policy.

APPROVED

3.2 Financial Reports

3.2.1 Revenue Accounts 2021-22

Budget Monitoring for the period ending 31st January 2022

Expenditure	Full Year Budget £	Year to Date Budget £	Actual Spend £	Variance
RESPONSIVE MAINTENANCE	1,411,183	1,175,986	1,018,054	157,932
CYCLICAL MAINTENANCE	<u>543,959</u>	<u>422,020</u>	<u>413,785</u>	<u>8,235</u>
TOTAL MAINTENANCE`	1,955,142	1,598,006	1,431,839	166,167
GATE	169,374	135,293	153,595	(18,302)
INCOME AND TENANCY	227,124	189,270	174,752	14,518
TENANCY SUPPORT	198,963	165,803	149,254	16,549
RETIREMENT LIFE	89,736	74,780	67,499	7,281
CORPORATE RUNNING COST	115,521	91,654	113,046	(21,392)
CORPORATE STAFFING COST	390,150	303,338	323,131	(19,794)
SERVICE LEVEL AGREEMENTS	58,881	49,067	48,624	443
DEPRECIATION	5,040	0	0	0
TOTAL EXPENDITURE`	3,209,931	2,607,212	2,461,741	145,471
Income				
Management Fee, Sheltered Fee, Incentive Payments, Bank Interest	3,161,610	2,628,203	2,632,922	4,719
OPERATING SURPLUS/(DEFICIT)	(48,321)	20,991	171,181	150,190
Exceptional income – non-domestic rates refund	Nil	Nil	196,250	196,250
Exceptional spend - re compliance project (£88K) and communal facilities (£21k)	Nil	Nil	(109,670)	(109,670)
Result after exceptional item	(48,321)	20,991	257,761	236,770

The management accounts to the 31st January 2022 show an underspend against budget and a potential addition to reserves of some £250k.

There are two elements to this potential surplus of income over expenditure:

(i) Normal operating activities show an underspend of £171k which primarily relates to responsive repairs.

(ii) Exceptional income of £196k has been achieved due to a rebate of non-domestic rates. Some expenditure has been put in place against this income – primarily to do with a compliance action plan to enhance health and safety issues and to refurbish communal areas. The excess of income over expenditure for this area of financial reporting is some £86k.

At the November 2022 Board meeting it had been reported that the management accounts were showing a potential underspend on responsive repairs costs of c.£127k (compared to £158k as shown above). It was also explained however that there was considerable uncertainty over this result, because of issues around the new housing management customer relationship database (called Cx).

Payments were now flowing through the system and the matter will be fully resolved shortly. The Management Accounts to 31 January 2022 include some estimation as to what is expected to flow through in terms of responsive repairs. The accounts again show a considerable underspend but until the matter is fully resolved this position may vary.

Recommendations for Approval

The Board was asked to accept the Revenue 2021-22 financial report and raise any queries.

NOTED AND ACCEPTED

3.2.2 BITMO Community Fund

The BITMO Community Fund provides financial support to tenants experiencing hardship, unable to afford basic household items, wanting to decorate their homes, run community activities, pursue qualifications, support environmental improvements on the estate, and support the Green agenda in terms of reducing carbon. The report presented a summary of the applications received, the actions being taken and the decisions made so far.

The Community Fund was advertised in February and thirty one applications were received. Six have been approved, fifteen are being explored further. Six have been declined, four have been referred to the repairs service and one is presented for Board consideration.

Category	Scope	Applications	Decision responsibility	Sum designated per annum	Decision
Property and estate enhancement	Fencing seating planting	4	Board	£40k	1 for consideration by Board
Green Strategy	Green energy solutions, planting	5 *	Board	£5k	Request budget delegated.
Training and qualifications	Paid for qualifications up to £1k p.a 50% contribution	1	Panel	£5k	Approved
Decorating and minor works	1 room per 3 years 50% financial contribution	10	Panel	£10k	Assessment of need being carried out.
Tenancy sustainability	Provision of household goods	12	Panel	£5k	6 approved, 5 being assessed, 1 declined.
Voluntary Group initiatives	Grants up to £500 p.a	4	Board	£5k	2 declined. 2 being explored further.

(i) Property and Estate Enhancement

Applications	Response
Request for play park in Low Grange area	Not in scope of fund, but separate project under development to be reported to April Board
Request for garden fence	Referred to repairs
Request for improvements to back garden	Referred to repairs
Request for improvements to shared garden	To be considered by the Board.

The Board were asked to consider providing financial assistance to two tenants in neighbouring flats who want to improve the communal garden to their homes by building raised vegetable beds. The value of the request is £100.

(ii) Green agenda

No applications. However, 5 tenants had requested warm homes kits. Board is requested to delegate the budget to BMT.

(iii) Training, development and qualifications for tenants and their families

One application was received from an agency care worker who would like to attend a course to progress her career. This request was approved by a BMT panel.

(iv) Decorating and minor works

We received 10 applications. The properties are being inspected to assess condition and need for decoration prior to a funding decision being made. Some applicants have requested help with buying materials only and are unable to fund the 50% contribution. Board is requested to approve waiving a financial contribution when a need for decorating is established, and only materials are requested, on the basis that we may be able to source recycled paint free of charge or at minimal costs from Seagulls.

(v) Tenancy sustainability

Twelve applications had been received for white goods, beds and a mattress. Six had been approved, five were receiving a home visit to understand the vulnerability issues involved and further ways that we can provide support. One was declined as it is to replace a functioning item and is not a tenancy sustainability issue.

Q: How far was the Fund advertised?

A: The Community Fund was advertised widely. All tenants got an explanation and application form with their rent statement, as well as publicity on social media and in South Leeds Life.

Board requested that papers on the Community Fund will in future remind Board members what the application criteria are.

Recommendation

The Board was requested to:

1. Delegate the £5k Green Strategy budget to BMT (staff)

AGREED

2. Consider a request for two tenants to be supported to create raised vegetable beds in their communal garden.

AGREED

3.2.3 Capital Accounts 2021-22

Scheme Title	2021-22	2021-22	2021-22	2021-22
	Budget	Total spend to date	Budget	Estimate revised
	£000's	£000's	£000's	£000's
REACTIVE BOILER REPLACEMENT	54.8	53.2	54.8	54.8
PLANNED BOILER REPS	140.0	131.8	140.0	191.0
RE-ROOFING OF SLATE PROPERTIES	295.5	24.3	295.5	54.3
OTHER ROOFS	0.0	2.0	0.0	2.0
CHIMNEYS	0.0	0.0	0.0	12.0
TIMBER FRAMED PROPERTIES	388.5	0.0	388.5	94.0
Four Flat Blocks - ENTRANCES	24.0	4.1	24.0	22.0
ROOF OUTBUILDINGS / CANOPIES	0.0	0.0	0.0	17.0
REACTIVE ELECTRIC UPGRADES	15.0	3.8	15.0	15.0
KITCHENS AND BATHROOMS	121.0	163.1	121.0	170.0
K&B PURCHASES	0.0	0.0	0.0	18.0
THREE STOREY BLOCKS (externals)	98.0	0.0	98.0	0.0
THREE STOREY BLOCKS (internals)	93.0	2.2	93.0	123.0
ADAPTATIONS	90.0	136.0	90.0	200.0
DECENCY FAILURES	50.0	57.4	50.0	79.0
PUBLIC FOOTPATH RENEWAL SCHEME	30.0	0.0	30.0	30.0
PARKING PROVISION	0.0	0.0	0.0	0.0
UNADOPTED ROAD REPAIRS/SHOPPING PARADE	30.0	0.0	30.0	10.0
RE-POINTING SCHEME	50.0	107.6	50.0	107.6
WATER SUPPLIES - HOUSES	50.0	47.3	50.0	47.3
EXTERNAL GRP DOORS	20.0	0.0	20.0	20.0
FENCING	20.0	0.0	20.0	30.0
BELLE ISLE CIRCUS FENCING	0.0	0.0	0.0	0.0
PLANNED ASBESTOS	30.0	17.5	30.0	25.0
STOCK CONDITION SURVEYS	30.0	25.9	30.0	26.0
INSULATION	0.0	0.0	0.0	0.0
ENVIROVENT CONDITIONING	3.5	0.8	3.5	0.0
BITMO VOID REFURBS	86.8	193.1	86.8	387.0
Total	£1,720.00	£970.06	£1,720.00	£1,735.00

Capital spend was expected to be on budget, following considerable work to re-arrange schedules in light of procurement issues on roofing, low rise flats and gable ends.

Although the total spend going through the accounting system so far was only £970k (as at 10th March 2022) there was a high level of billing expected before the year end, as work planned thus far has largely been completed in many areas.

Fencing on Belle Isle Circus will now take place in 2022-23, as it was not possible to programme this work in to the 2021-22 year.

For roof works and gable end work, the issues of procurement had been overcome and work had now started on these major areas which will flow through for several years. Three storey block internal works had also started and this should enhance living conditions in these areas.

Void refurbishment costs relating to empty properties had increased considerably this year as the whole of the City has faced challenges in this area following the end of Covid restrictions and other factors.

Recommendations for Approval

The Board was asked to accept the Capital 2021-22 financial report and raise any queries.

NOTED AND ACCEPTED

3.2.4 Revenue Budgets 2022-23

Leeds City Council had confirmed the level of Management Fee which will apply for the financial year beginning on 1st April 2022.

The budget allocation for BITMO for 2022/23 is £3,235k, an increase of £87k compared with 2021/22.

This increase reflects some inflationary assumptions with regard to some costs, partly offset by a reduction relating to ongoing losses of housing stock related to Right to Buy (historically 1% per year).

This level of funding enables a continuation of front line services for the forthcoming year. Some underspend on cyclical repairs from prior years will however mean that around £61k will need to be recouped from reserves (having been transferred to reserves previously due to the underspend).

The agreed annual spend through the Community Fund of £70k will also be drawn from reserves, in line with the reserves policy.

Overall, the revenue budget therefore anticipated a reduction in reserves of £131k. The reserves as at 1st April 2021 were £1,485k. Further amounts may be added to this figure for the 2021-22 year end. Of the £1,485k brought forward, there is a need to retain £750k as a minimum level of reserves for the organisation – roughly three months expenditure. With an anticipated reduction of £131k for next years budget, this would leave enough reserves to support an annual Community Fund spend of £70k for some 8 years beyond 31.3.23.

Expenditure	Budget 2021-22 £	Draft Budget 2022-23 £	Variance 2021-23 £	Commentary	% Variance
Responsive Repairs	1,259,829	1,262,101	2,272	Current underspend on 2021-22 budgets indicated by management accounts.	0.18%
Cyclical Maintenance	533,713	591,507	57,794	Increased gas and electrical servicing costs to ensure compliance.	10.83%
Other Staffing Costs	1,025,042	1,072,613	47,571	Increments, inflation and increased NI costs.	4.64%
Office Overheads	244,784	255,808	11,024	Assumed element of Internal Audit and recruitment costs.	4.50%
Service Level Agreements	58,881	58,881	0	LCC has agreed to keep levels static but with a review in 2023-4	0.00%
Retirement Life	82,345	91,683	9,338	Increased cleaning and repair costs.	11.34%
Office Improvements	5,040	0	(5,040)	Prior year project withdrawn.	N/A
Total Expenditure	3,209,633	3,332,593	122,960		
Income					
Management Fee, Sheltered Fee, Incentive Payments, Bank Interest	3,161,610	3,271,597	109,987	Increase in LCC fees of £87k due to inflation.	3.48%
Surplus/(Deficit) on operating activities	(48,023)	(60,997)	(12,974)		
Community Fund costs		70,000			
Reduction in Reserves		(130,997)			

Main budget assumptions:

1. Some variation in levels of Responsive day to day repairs may be required, because of issues with Cx housing management database. If needed this will be drawn from reserves.
2. Some repairs underspend on electrical testing in prior years means increased costs will be necessary in 2022-23. These will be funded from underspends in prior years.
3. LCC management fee income 2022-23 is confirmed.
4. Inflation generally estimated at 5%.
5. Main contractor estimates net inflation for the building industry at 3-5%
6. No increase in Service Level Agreement costs confirmed by LCC for 2022-23.

It was noted that there were some aspects of the Budget which were likely to need adjustment as the financial year progressed and it was suggested that contingencies may be required for the following:

- (i) If staff costs increased by 4% rather than 2% during the year then there would be an additional payroll cost of some £30k
- (ii) If general inflation was at 7% rather than 5% then additional costs would be expected for non-repair items of £13k
- (iii) If the level of Voids (empty properties) continued at current high levels then the management fee incentive of £19k might become a penalty of some £35k.

If all the contingencies above were added to the result for the year then this would result in a deficit of some £139k, prior to the Community Fund spend of £70k which Board had anticipated being drawn from reserves in line with policy.

Of this £139k some £50k was a one-off increase in electricity testing for 2022-23 and there was also one vacant staff post included in the budget. If both these factors were taken out of the equation then the remaining deficit would be some £50k.

In terms of reserves there existed some excess reserves which the revised Reserves Policy had anticipated being used over coming years by the Community Fund. If necessary, the Board could decide to utilise some of the excess reserve to cover the deficit for 2022-23 in the knowledge that there was a manageable gap to close to breakeven on normal operating costs.

It was questioned whether, given the need to support people facing fuel and food cost increases, we need to enhance the GATE's capacity. The CEO noted that the health needs assessment gave information on poverty and children and families, which we can use to make decisions about service development. It was reported that the GATE was still resourced at the pre-pandemic level and any extra resources would be welcome whether that was funds, staff or outside agencies like Money Buddies. The CEO said that proposals will be made to the next Board meeting, with options including funding of an extra Financial Inclusion post. The Chair requested that the revenue budget be brought again to the next Board meeting, including further thoughts on the community fund and financial inclusion given the cost of living crisis.

Recommendations for Approval

It was proposed by the Chair that the Revenue budget be further examined at the next Board meeting prior to approval.

AGREED

3.2.4 Capital Budgets 2022-23

Proposed budget:

Scheme	2021/2022 Budget £000's	2022/2023 Budget £000's	Rationale
Boiler Replacement/ Gas Remedials	£194.8	£150.0	Circa 50 units at £3k.
Mansard Roofs	£295.5	£275.0	Annual projected spend per long term programme.
Other Roofs	£0	£10.0	
Timber Framed Properties	£388.5	£175.5	Pro-rata for 6 months programme.
Four Flat Blocks - Entrances	£24.0	£0.0	Work complete 2021-22
Rewires/ Electrical Remedials	£15.0	£30.0	Resulting from additional tests required.
Kitchens and Bathrooms	£121.0	£125.0	
Three Storey Blocks Externals	£98.0	£75.0	Multi year programme
Three Storey Blocks Internals	£93.0	£0.0	Completed 2021-22
Adaptations	£90.0	£280.0	Based on 2 x extensions and remaining smaller requests.
Decency Failures	£50.0	£25.0	20 decency failures being investigated.
Public Footpaths	£30.0	£15.0	Reducing cost indicated by inspection regime.
Unadopted Road Repairs	£30.0	£15.0	Reducing cost indicated by inspection regime.
Re-Pointing Scheme	£50.0	£50.0	Annual allocation with scope for further spend as needed.
Water Supplies - Houses	£50.0	£0.0	Complete
External GRP Doors	£20.0	£15.0	
Fencing	£20.0	£30.0	
Fencing - Belle Isle Circus	£0.0	£81.0	Quote received and work to commence in c8 weeks.
Asbestos Surveys/ Removals	£30.0	£30.0	
Stock Condition Surveys	£30.0	£0.0	To be conducted in house going forward.
Envirovent Conditioning	£3.5	£5.0	To include envirovent and adaptation servicing.
BITMO Void Refurbs	£86.8	£180.0	Estimated 100 voids - tight budget will need monitoring
Thermal Efficiency	£0.0	£254.5	With possible extra works.
Adhoc Capital	£0.0	£25.0	Structural/ damp etc.
Chimneys/ Canopies	£0.0	£20.0	
Mutual Exchanges	£0.0	£25.0	Works needed on exchange.
Fire Risk	£0.0	£100.0	Works in communal areas.
Legionella	£0.0	£5.0	Resulting from compliance review.
	£1,720.1	£1,996.0	

It was reported that Leeds City Council had confirmed an overall capital budget of £1.996m for investment in housing stock and associated assets on the estate for 2022-23. This comprises two elements: (i) a figure of £1.735m which is in line with prior years allocations; and (ii) £261k carried forward from an underspend during Covid restrictions.

Q: Can we look into the issue of silver foil being placed behind radiators in Broom Nook properties.

A: Head of Repairs to investigate.

Q: Communications received from disreputable organisations about disrepair claims.

A: Further notices would be given in the newsletter and social media about scam calls .

Q: How will we ascertain which properties will receive thermal efficiency works.

A: Work will be based on existing thermal efficiencies in stock surveys.

Q: When will the Broom Nook Community centre decoration be undertaken

A: Work had commenced that week.

Recommendations for Approval

The Board was asked to accept the financial reports and raise any queries.

NOTED AND ACCEPTED

3.2.5 Statutory Audit of BITMO Financial Statements

The registered auditor Beever and Struthers has submitted an audit plan for work being undertaken for the 2021-22 financial year. The plan had been circulated.

In line with standard periodic tender procurement practice, a tender process should be undertaken over coming months, so that a proposal may be placed to members at the Annual General Meeting in September.

Recommendation

Board was requested to ACCEPT the above Audit Plan and to AGREE an audit tender exercise be undertaken prior to the 2022 AGM.

ACCEPTED and AGREED

4. Board forward plan

The following schedule set proposals previously put to the Board meetings for the coming year.

Date	Headline Report	Discussion topic	Area for Scrutiny and approval (not including standing items)
October 7 th	Urgent matters, Correspondence, Estate issues and Tenant feedback		Board elections
November 25 th		Repairs Contract presentation	Anti-Social Behaviour Safeguarding Complaints Performance KPI's
December		No Meeting	N/A
January 27 th		STAR survey TBC	Budgets outline [Performance KPI's] [Repairs] [Risk Register]
March 31 st		To be set by Board	Budgets [Safeguarding – summary April 22] [Complaints – summary in April 22] [Retirement Life – compilation post 31.3.22)
May 26 th		To be set by Board	GATE Programme [Performance KPI's]
July 28 th		To be set by Board	Health and Safety Report HR Report Statutory Accounts [Safeguarding] [Complaints]
August		No meeting	N/A
September 8 th		To be set by Board	AGM [Performance KPI's] Risk Register Review [Repairs [GATE programme]
September 29 th			

Those items in parentheses [...] are considered to be items which are for note and will be delivered to Board members separately from meeting papers. If there are any queries on these they will be brought to the following Board meeting.

In addition to this, the Board is able to establish ad hoc sub committees should this be required.

(ii) Board Member Bitesize Learning & Discussion Sessions

Date	Title
Oct 2021	Being a Board Member Skills training and responsibilities.
Nov 2021	Health & Safety (report only, postponed due to Repairs presentation) Primary areas regarding TMO operations
Jan 2022	Rents and Tenants Responsibilities An update on rent collections and how we support a positive payment culture.
March 2022	Lettings & Tenant Support How we let properties and support our tenants.
May 2022	Finance Understanding accounts
July 2022	Repairs & Maintenance An overview of Responsive and Planned works
Sept 2022	GATE activities Impact and development

Recommendation

Board was asked to note and approve the forward plan detail

NOTED AND APPROVED

5. Any Other Business

5.1 Retirement from the Board

It was reported that Mrs Bev Walker had retired from the Board on 3rd February 2022.

Recommendation

The Board were asked to note the retirement.

NOTED and the Board asked that a letter of thanks be sent for her much valued service.

5.2 Housing Advisory Scheme Grant Application

A Housing Advisory Panel funding application from Broomfield South SILC for a Working and Wildlife Gardening Club was considered by the Board.

Recommendation

The Board were asked to review the application and decide whether a grant should be given

The Board AGREED that £1,500.00 would be granted to Broomfield South SILC for the Club.

5.3 National Federation of TMO's Conference 2022

It was reported that the Annual Conference would be held at Stratford upon Avon on 24-26th June 2022.

Five spaces had been reserved.

Recommendation

The Board were asked to approve the reservation

APPROVED – for the attendance of four Board members and one staff member.

5.4 Other Business

- (i) It was noted that Broom Nook residents want to use the centre for a jubilee event and want permission to take some of the furniture outside. Residents were asked to contact Lesley Fothergill, Lettings and Tenant Support Manager.
- (ii) It was reported that the Belle Isle Stories Project had received funding of £9,977 to compile an oral history of the estate.
- (iii) The Survey of Tenants and Residents for Belle Isle estate would begin shortly on a rolling basis.
- (iv) A question was raised about an Adaptations Policy. Note that BITMO does not have an Adaptations Policy, in order that each application may be considered on its merits.

Date of Next Meeting: 27th April 2022 at 6.00pm