

WESTMINSTER COMMUNITY HOMES LTD BOARD MINUTES

Thursday 27th January 2022 at 2pm

Via Microsoft Teams Meeting

Present -

James Green (JG) (Chair)

Dermot Moloney (DM)

Thomas Harding (TH)

Olivia Harris (OH)

(All Board Members are nominated by Westminster City Council)

Apologies – Cllr. Susie Burbridge

In Attendance-

Steve Moore (SM) (Westminster Community Homes)

Hannah Callender (HC) (Westminster Community Homes)

Sophie Sheekey (SS) (Westminster Community Homes)

Sian Cogley (Westminster Council) Item 3 only

Martin Lewis (Devonshire's) Item 6 only

Minutes- Sophie Sheekey

No.	Item	Action
1.	Introductions, Apologies and Declarations of Interest	
	<p><u>Declarations</u></p> <p>James Green (JG) is WCC Senior Development Manager and Westminster Builds Board Member.</p> <p>Tom Harding (TH) is WCC Head of Westminster Employment Service.</p> <p>Dermot Moloney (DM) is Programme Director for Infills at the City Council.</p> <p>Olivia Harris (OH) Director of Dolphin Living Ltd, DSF Developments Ltd, Westminster Property Association, Hoxton Regeneration Ltd.</p> <p>Martin Lewis (ML) Consultant on Code of Governance, Devonshire's</p> <p>Sian Cogley (SC) is WCC Finance Manager of Subsidiaries</p> <p>Apologies: Cllr Susie Burbridge</p>	

2.	Minutes and Action List of Board Teams meeting September 2021	
	<p>The minutes and action list were reviewed concentrating on the items which had not been completed:</p> <p>Board appraisals are outstanding. Dolphin Living appraisals template to be agreed with a new deadline. JG agrees to confirm this within the next few days.</p> <p>TH suggests that we include the skills element in the March Board Governance report, which is agreed.</p> <p>Financial report against refurbishment costs from previous meeting highlighted that the increased cost of Utility bills should be looked into. SC has recently been notified of this and will look to add to the budget setting process for February and report to the March Board.</p> <p>Minutes were agreed. They can now be signed by the Chair.</p>	<p>JG</p> <p>SM/HC</p> <p>SC</p> <p>JG</p>
3.	P9 Financial Report & Updated Cashflow	
	<p>SC is introduced as new Accounts Manager and is welcomed by the Board.</p> <p>SC presented the key items from the P9 report</p> <p>OH highlighted that without the lower than expected spend on WCC repairs and the one off gain from the sale of assets that WCH would be running at a loss again this year. The Board want to see a plan for returning WCH to profitability in 2022/23.</p> <p>SC to align Cash Flow Statement with Budget.</p> <p>JG suggests that we should include options for areas that we could concentrate on to increase sustainability.</p>	<p>SM/SC</p> <p>SC</p>

	<p>SM agrees that the March Board meeting will receive the budget proposals and it will address the matters raised. SM and SC to discuss budget setting process.</p> <p>OH suggested that the inflation uplift should be realistic and in particular that there are some areas such as service charge/insurance costs and energy prices were much higher provision will need to be made. SC to note.</p> <p>SC mentions that we have overspent on Miscellaneous direct costs for the year due to one-off costs incurred and this will balance out in accordance with this coming year's budget.</p> <p>JG has requested that a running commentary be added to the Finance report which explains items in more clarity. SC to action this for the future meetings.</p> <p>TH asked how the Board could get assurance about the budget setting. OH stated that we should set the budget against the first 9 months of performance. Look at overspends for the rest of the year.</p> <p>SM confirmed that the rent increase for 2022/23 would be Sept CPI plus 1 % for non-GLA funded properties and Sept CPI only for GLA funded units.</p> <p>OH stated that CPI in Dec was 5.4% and we should take this into consideration for budget costings.</p> <p>DM queried whether due to Covid we still have a backlog of incomplete repair jobs. SM confirmed that although there had been some delays on major works, that day to day responsive repairs were now being completed normally</p> <p>SM confirmed that the Community projects report will be an item included in the next Board Meeting and included within the proposed budget setting report</p>	<p>SM/SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>HC/KC</p>
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	<p>OH asked for clarification on the timing for the appointment of the contractor for the MOT yard because until the new WCC Loan is in place this scheme will not be able to proceed.</p> <p>SM confirmed that WCH had not contracted this work and will not be doing so until the new Loan agreement has been signed.</p> <p>We are hoping to receive planning permission for this scheme in March and the recent discussions with WCC suggest that the loan agreement should be in place around the same time.</p> <p>JG queried whether WCH have updated the prices for this scheme in light of the general uplifts in build prices that the sector has experienced. SM confirmed that the latest Cash Flow has taken into consideration the current costings for the Victoria Wharf phase 2 on a per square metre basis</p> <p>OH asked for clarification on what basis the new loan was being made. SM confirmed that initially it would be development finance and following completion would become a consolidated loan. However, we would look to use all other available funds and grants first in order to delay the point on drawdown and minimise interest payments.</p> <p>OH commented that the WCC Loan rate was very competitive and with this in mind WCH should not delay drawdown if required by WCC to do so.</p> <p>TH has asked HC to pick up in the KPI report about arrears and how it relates to the expenditure to date £87k YTD against £50K budget.</p> <p>SC leaves meeting</p>	<p>SM/SC</p> <p>HC/SC</p>
<p>4.</p>	<p>Chief Executive Update</p>	
	<p>SM presents</p> <ul style="list-style-type: none"> • <u>Regeneration Areas update</u> <p>Making good progress. Ebury is far ahead of Church Street but expecting things to pick up further now that planning is coming closer. Only 20 lessee units on Ebury who have not agreed. Working with all of these. We have highlighted some areas of risk to WCC which could lead to CPO.</p>	

	<ul style="list-style-type: none"> • <u>Victoria Wharf (Phase 2) update</u> <p>Continuing at pace and currently three weeks ahead of scheduled finish in August. However, glazed bricks need replacing by the brick company as the ones that have been delivered are not fit for purpose.</p> <p>OH asked if there be any financial repercussions for the brick issue. SM stated that we would need to know exactly what was ordered to know what the impact is and where the blame is. Once this has been discovered, we would look to recover the costs. SM would confirm the position on this to the Board once established</p> <ul style="list-style-type: none"> • <u>MOT yard (581-587 Harrow Road) update</u> <p>Planning application has been made and we are expecting this to go to the March Planning Committee for decision.</p> <ul style="list-style-type: none"> • <u>2A Bravington Road update</u> <p>Due to finish 18th March. Survey carried out last Thursday, shows that they are a few weeks behind, however the updated schedule of works shows that they are on track to complete early as the contractors believe they can catch up. We have identified another unit in Saltram Crescent for this project and conveyancing work is now underway</p> <p>DM asked if there had been any interest from the flyers for 2a Bravington. SM said that these were about to be released Homeownership Westminster next week and also sent to all WCH Intermediate rent tenants. SS to complete flyer and distribute in w/c 7th February. Board will be updated on the outcome of this flyer in the March Board report.</p> <ul style="list-style-type: none"> • <u>WCH Loan update</u> <p>As previously discussed in item 3</p> <ul style="list-style-type: none"> • <u>Former Tenant's Arrears</u> <p>Has been pushed to first financial meeting of the year.</p> <ul style="list-style-type: none"> • <u>Auditors tender update</u> <p>Expecting to get this out to auditors next week. Contract will be let in</p>	<p>SS</p> <p>SM</p>
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	<p>late Feb/early March. Likely to be sent to four firms including Jones Avens.</p> <ul style="list-style-type: none"> • <u>Lease extensions</u> <p>Legislation for lease extensions has been slow coming through. Some elements have been enacted. Officers will continue to monitor the progress of this legislation.</p>	SM
5.	Key Performance Indicators	
	<p><i>HC presents</i></p> <p>Year to date Customer service measured by tenant survey. These will continue after Refresh surveys.</p> <p>HC mentions that the KPI report will include new policies as discussed by ML. Tenant survey will also be updated to include new measures.</p> <p>Housing Management items are on track apart from tenancy checks, which are still not taking place whilst pandemic is still an issue. These have now restarted; we won't meet the year target, but we hope that from the start of the next financial year we would be on target.</p> <p>As the Refresh programme will be taking place in the coming months, all properties will need to be inspected and therefore will credit our KPI results favourably for this year.</p> <p>Arrears are slightly over target. During the last Board meeting, OH mentioned that we should be reporting our figures on an annual basis, we have made this change.</p> <p>Due to the increase in arrears, we have managed the Housing Officers to drive these down as soon as possible.</p> <p>TH suggests we should add community work to KPI's.</p> <p>SM suggests we should add more tenant involvement for the next financial year.</p>	<p style="text-align: center; vertical-align: middle;">SS/HC</p> <p style="text-align: center; vertical-align: bottom;">HC HC</p>

	Development acquisitions target for the year is to complete on 3 within the 12 months. So far, we have completed on one and have two further completing this month to bring us up to our target.	
6.	Governance Report	
	<p><i>This item was moved up the agenda and taken first in order for Martin Lewis to attend and assist with this report. Martin Lewis presents this report with SM</i></p> <p>The Gap analysis identified the need for the production of a series of documents which demonstrate compliance with code of Governance. The Board were in agreement with approach.</p> <p>JG requests synopsis of recommendations.</p> <p>ML- Financial statements, compliant with Code of Governance 2020. Compliance checklist against Code of Governance still to be done. This will inform Board of provisions of what is or isn't in compliance. When publishing accounts which parts aren't complied. SM will bring this to the March Board meeting. Skills audit also to be included.</p> <p>OH Board skills audit to be prioritised as OH and JG have been members of the Board for five years and the maximum longevity of a member is six years. SM to seek guidance from WCC on this matter.</p> <p>SM to provide an update on Health and Safety policies in the next Board.</p> <p>SM proposed that the Board adopt the policies today and for ML and SM to put together a list of items to cover, and with deadlines and report to Board before March.</p> <p>Board Agree with implementation of these today.</p> <p>TH suggests we should flag within the new KPIs as a result of the new policies.</p>	<p>ML/SM</p> <p>SM</p> <p>SM</p> <p>SM/ML</p> <p>HC</p>

7.	Forward Meeting Plan	
	<p>Updated to include the Board dates for next year.</p> <p>Next Board meetings will be 29th March and 6th July 2022.</p> <p>Budget approval to be included in next meeting. Fire Risk assessments also to be included and more on Governance.</p> <p>Also, an update on the Community funding and social value projects as part of the budget setting.</p> <p>The Board also need to get a strategy put into place for when SM retires at the end of August. Board to set a strategy for the legacy and existing properties for any changes to be made following Steve's departure for retirement. Board to meet in February to discuss this as well as recruitment for Steve's successor. HC to schedule meeting.</p>	<p>HC/SM/SC</p> <p>HC</p>
8.	Date of Next Board Meeting	
	Tuesday 29 th March 10.30am	

Minutes signed off:

WCH Chair

Date: