

ITEM 2

WESTMINSTER COMMUNITY HOMES LTD E- BOARD MINUTES
Wednesday 4th December 2019
Westminster City Hall, 64 Victoria St. London, SW1E 6QP

Present -

James Green (JG) (Westminster City Council Nominated Board Member)
Olivia Harris (OH) (Westminster City Council Nominated Board Member)
Cllr Murad Gassanly (MG) (Westminster City Council Nominated Board Member)
Thomas Harding (TH) (Westminster City Council Nominated Board Member)
Steve Moore (SM) (Westminster Community Homes)
Hannah Callender (HC) (Westminster Community Homes)
Sophie Sheekey (SS) (Westminster Community Homes)
Gary Allen (GA) (CityWest Homes) (Item 3 only)

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 WOC Board Member.</p> <p>Olivia Harris (OH) is Director of Dolphin Living Ltd, DSF Developments Ltd, Westminster Property Association, Hoxton Regeneration Ltd.</p> <p>Cllr Gassanly (MG) is Deputy Cabinet Member for Housing and Customer Services.</p> <p>Tom Harding (TH) is WCC Head of Westminster Employment Service.</p> <p>Dermot Moloney (DM) is WCC Economy Infill Programme Director.</p>	
2.	Minutes and Action List of Board meeting 11th July 2019	
	The minutes of 11 th July 2019 are approved.	

3.	Period 7 Financial year end report	
	<p>Debt covenant update</p> <p><i>The loan agreement between WCH and WCC states that “The Net Operating Income shall not be less than [] of the Net Interest Payable for the most recently ended Financial Year, and not less than [] for the current and following Financial Years as calculated on a projected basis.”</i></p> <p><i>YTD Net Operating income is [] and Interest payable of (); therefor Interest cover for 19/20 is [] and for 20/21 it is forecasted at [], these both exceed the loan covenant.</i></p> <p>TH asked where there any protection WCH can put in place, so our income / finances aren’t adversely impacted by WCC decisions, albeit requests relating to Regen which are made in good faith.</p>	SM
4.	Chief Executive Update	
	<p><u>New development programme</u></p> <p>TH: if we set up a meeting in the New year with Charlotte Healy and Chris Peacock and myself, we can review the opportunity for the Economy team to partner with WCH when buying properties that might offer business space, particularly for workspace.</p> <p>The Board would like to get a better understanding of the rationale behind proposed acquisition of 17 St Johns Terrace.</p> <p>The Board also after discussion approve offer of [] or less to acquire 17 St Johns Terrace but given this is a significant sum for a single property the Board should:</p> <ul style="list-style-type: none"> • review the rent / return figures prior to the acquisition exchanging. • An offer below the asking price is made initially based upon the valuation information received on a neighbouring property, also noting that we are cash buyer with no onward chain. <p>New development programme approved by the Board.</p>	<p>TH/SM</p> <p>SM</p> <p>SM</p>

5.	Procurement Code	
	<p><u>Codes of Conduct</u> _OH: 2.3.1 – Do we have a policy around Gifts, hospitality and Bribery?</p> <p><u>Responsible Procurement</u> <i>For all contracts with a total contract value of £100,000 or above WCH requires a minimum of 5% of the total weighting of the tender evaluation score to be allocated for Responsible Procurement. This will be derived from the Quality section of the evaluation and will include social, economic and environmental characteristics (example: Quality has 40% overall weighting, Social Value will be 5% of that weighting allowing 35% for other quality evaluation criteria).</i></p> <p>TH: As we provide services for low income and many unemployed (1/3 of our tenants), I think we should have a higher weighing on Social Value and would suggest 20%. This is in line with recent changes which I think Cllr Robathan and procurement have agreed. Regardless, I think it send out the right message about our duty of care and what we value in terms of making the assets work for the communities we serve beyond the housing. Steve – could we set up a meeting in the New Year and I’d suggest with myself and Holly Simmons? We can perhaps set out a paper with you for the Board on community benefit and how we’ll make the social value element work alongside any other investment in community initiatives (Holly is part of Lorán and Keith Cookson’s team and we all work together on this agenda)</p> <p><u>Terms & Conditions of Contract</u> <i>The standard evaluation criteria for any procurement is weighted 60:40 to Price: Quality respectively.</i></p> <p>OH: 3.5.1 – Would it be possible to agree a tender evaluation proforma to the Board or appended to this policy, so that we can see how the management intend to approach this in a bit more detail. I think this would also help the executive bring tenders to the Board.</p> <p><u>Procurement Code Thresholds and Approval</u> <i>WCH has existing arrangements in place with the City Council which provide most of WCH’s day to day service requirements i.e. IT, phones, accommodation</i></p>	<p>SM</p> <p>SM/TH</p> <p>SM</p>

	<p>OH: 3.7.2 - Should we be benchmarking the services we receive from WCC? For example, against a serviced office provider. We need to remember that we are a separate legal entity with separate responsibilities. These existing contacts must have end dates and upon renewal should also be covered by this policy.</p> <p>Contract Extensions and Variations <i>3.11.1 Officers must consult WCH appointed Solicitors (currently Devonshires) on all contract extensions or variations. It should be noted that the extent of permitted variations is limited by law and require specific conditions to be fulfilled.</i></p> <p>OH: I'm not sure this is going to be practical e.g. what if you have a £30k contract and you agree a fit-out variation for £500. If you mean the wording of contracts, then I agree that Devonshires need to be consulted - but we also need to understand approvals for contract variations in amount.</p> <p>OH: 3.11.2 - I think we need to apply a quantum to this as well as a %. For example, if you have a £3m build contract the executive can agree variations up to £300k! This seems a bit high.</p>	
6.	Updated Risk Register	
	Board Noted updates to Risk Register.	
7.	Key Performance Indicators	
	<p>DM: Commendable safety check and intermediate arrears figures.</p> <p>In regard actions being taking on the outstanding tenancy checks, HC confirmed this was a working progress at the aim is to complete by the end of March.</p>	HC
8.	Tenant Survey	
	<p>TH: Note the 1/3 tenants are unemployed and there's more we can do to connect tenants with our Employment Service and develop Social Value related projects which help drive satisfaction levels up and support their wellbeing. HC confirmed that WCH tenants has access to WCC employment services and the housing management team encourage these referrals.</p> <p>DM: 6.3 - Under 6.3, are there any incentives available that can be offered to improve levels of DD payments?</p>	

	HC confirmed that all tenants are ask on sign up to consider DD or SO, WCH send annual surveys and include incentives i.e. vouchers to a prize winner who has opted to change their payment method to DD.	
	<i>SM will resend answers to above (25/6/20)</i>	SM
9.	Forward Meeting Plan	
	Next Meeting 24 th March 2020 (cancelled due to Covid-19 lockdown) Next E-Meeting June 2020.	