



CITY OF WESTMINSTER

MINUTES

Shareholder Committee

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Shareholder Committee** Committee held on **Monday 27th March, 2023**, 18.04-05, 18th Floor, 64 Victoria Street.

Members Present: Councillors David Boothroyd, Adam Hug and Matt Noble

Cllr Liza Begum – attended virtually and in a non-voting capacity

Also Present: Gerald Almeroth, Executive Director of Finance and Resources, Debbie Jackson, Executive Director of Growth, Planning and Housing and Pedro Wrobel, Executive Director of Innovation and Change. Committee Clerk – Alex Deolinda Severino

Apologies for Absence: Councillor Tim Roca

1 MEMBERSHIP

There were no changes to the membership of the Shareholder Committee.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES

RESOLVED: Councillor Adam Hug, with the consent of the Members present, agreed that the minutes of the meeting held on 31 October were a true and correct record of the proceedings.

4 DISSOLUTION OF WESTMINSTER PROCUREMENT SERVICE

Dai Williams was present for this item only.

- Mr Williams provided a summary of the matter, namely the proposal to close the company as it has long since ceased trading. It was noted that the company had only ever traded with one major client.

- Cllr Boothroyd asked if there is a market to sell the company or services to other local authorities. Mr Williams noted that this was not a priority at this time and it is not known if there would be such a market but it is considered unlikely.
- Cllr Noble noted that this is essentially a housekeeping exercise to formalise the situation.
- The Committee thanked Mr Williams and the team for their work on the matter.

RESOLVED – SHAREHOLDER COMMITTEE ENDORSED THE REPORT TO BE RECOMMENDED TO CABINET FOR DECISION AT A FUTURE MEETING

5 WESTMINSTER BUILDS REGISTERED PROVIDER STATUS

James Green and Tim Hampton were present for this item.

- Mr Green introduced the report, noting that GLA funding requirements state that the body receiving the money should be a Registered Provider, which is the main driver for this decision. It was further noted that the expected £0.04m of cost to undertake this process would be covered by the grant once received.
- Cllr Noble commented that this option was preferable as the alternative would be to return the grant and greater control is preferable for the assets.
- Cllr Boothroyd noted that this is formally setting up another company and Mr Green commented that that is correct and that the governance would sit within Westminster Builds' existing arrangements and comply with all Registered Provider guidelines.
- Cllr Boothroyd noted that the Council is committed to delivering intermediate housing under Council control and this is a vehicle by which to achieve that.

RESOLVED – SHAREHOLDER COMMITTEE ENDORSED THE REPORT TO BE RECOMMENDED TO CABINET FOR DECISION AT A FUTURE MEETING.

6 WESTMINSTER BUILDS BUSINESS PLAN 23-24

James Green and Tim Hampton were present for this item

- Mr Green noted the resignation of the previous company chair, Cllr Jacqui Wilkinson and noted that a new, permanent Chair should be appointed in due course. The company business plan has been adapted in response to the changing priorities and policy of the Council, most notably the adoption of the Truly Affordable Housing strategy.
- Mr Green further noted that the Council has commissioned and received a report on future options for housing delivery which is currently being reviewed and the recommendations will have an impact on the work of the company in future.

- Mr Hampton commented further on the changes in the business plan stemming from the Truly Affordable Housing Strategy, most notably the reduction in intermediate homes in favour of social homes. Mr Hampton also reflected on recent successes specifically Luton Street and Fisherton Street developments which were completed during 2022 and that 71 completed homes now sit within Westminster Builds.
- Further activity was noted to acquire intermediate units at West End Gate and 300 Harrow Road.
- Cllr Hug noted the challenges around future governance and the need to appoint further board members. Debbie Jackson confirmed that this can be delivered relatively quickly pending a decision from Members on how to proceed and it was noted that this should be progressed ahead of the next meeting of the Shareholder Committee in July 2023.
- Cllr Boothroyd asked if major construction delayed could be managed given the company is now moving on to major developments. Mr Green responded that this risk is being actively managed and mitigated and the same goes for other risks noted in the business plan. Articulating risks in part of how the company manages these as it ensures due diligence is undertaken.

RESOLVED – SHAREHOLDER COMMITTEE APPROVED THE BUSINESS PLAN FOR WESTMINSTER BUILDS

7 WESTMINSTER COMMUNITY HOMES BUSINESS PLAN 23-24

James Green, Neil Tryner and Steve Moore were present for this item

- Debbie Jackson welcomed Neil Tryner to the meeting as the new Chief Executive of WCH and placed on record her thanks to Steve Moore for his career of service.
- Mr Tryner introduced the report, noting that there are three distinct matters: procedural requirements, performance and a look to the future about delivery.
- On procedural matters, Mr Tryner noted that authority was sought to recruit new board members and set himself as the company secretary. On performance, Mr Tryner noted company key performance indicators, and on the future, Mr Tryner noted that the company is ready and prepared to be flexible, depending on the ambitions of the Council for the company.
- Cllr Begum asked how board members would be found and appointed. Mr Tryner responded that an external search would take place to meet the gaps in the skills audit that has been undertaken. Cllr Noble supported this approach.
- The Committee discussed the need to clarify the company's role in the future and that this would need to be driven by the Council's own priorities with regard to options for housing delivery.

- Cllr Boothroyd asked a specific question about whether there was a problem with rent arrears. Mr Moore responded that there has been some evidence of that but the company is working hard to assist residents with this.

RESOLVED – SHAREHOLDER COMMITTEE APPROVED THE RECOMMENDATIONS SET OUT ON PAGE 61

8 WESTCO BUSINESS PLAN 23-24

Ian Farrow, Christos Pishias and Councillor Max Sullivan (virtual) were present at the Committee:

- Mr Farrow introduced the report, noting new business development over the past year and the need to diversify the business further.
- Cllr Sullivan noted that the business plan had been developed based on extensive feedback and iteration at board meetings.
- Pedro Wrobel noted that the challenge currently facing the business is to expand and build further profitability post pandemic.
- Cllr Boothroyd noted the possible areas of diversification such as into new sectors beyond local government and the Committee discussed the need to develop long term relationships with ‘entry level services’.
- Mr Pishias noted that the company has done well in recent years in attracting other business and partnering with new bodies to deliver new products.

RESOLVED – SHAREHOLDER COMMITTEE APPROVED THE RECOMMENDATIONS SET OUT ON PAGE 81

9 COMPANY GOVERNANCE AND COMMERCIAL REVIEW UPDATE

- Pedro Wrobel introduced the report and set out the options analysis undertaken which the Committee are asked to take a view on how to proceed.
- Mr Wrobel noted joint work across finance, procurement and legal to bring these proposals together and that this would continue should the Committee agreed the recommendation as set out.
- Cllr Noble stated that he was comfortable with the recommendation as set out but noted that work needs to be undertaken quickly on the next steps. Cllrs Begum and Boothroyd agreed, noting that there was no strategic reason not to proceed with the recommendation.

RESOLVED – SHAREHOLDER COMMITTEE APPROVED THE RECOMMENDATIONS SET OUT ON PAGE 126-127

10 WORK PROGRAMME

The Shareholder Committee noted the work programme for its upcoming 2023 meetings.

11 ANY OTHER BUSINESS

No other business was noted.

CHAIRMAN: _____

DATE _____