

Minutes

LHC JOINT COMMITTEE

26 June 2020

Meeting held at LHC Offices, 4th Floor, 2 Vine St,
Uxbridge UB8 1QE and by Virtual Meeting



Attendance*	
Members In Attendance	Borough
Councillor John Bevan (Chairman)	Haringey
Councillor Gideon Bull	Haringey
Councillor Jackie Meldrum	Lambeth
Councillor Jennifer Brathwaite	Lambeth
Councillor Mick O'Sullivan	Islington
Councillor Eleanor Southwood	Brent
Councillor Ralph Bagge	Bucks
Councillor Katrina Wood	Bucks
Councillor Gina Needs	Enfield
Councillor Susan Fajana-Thomas	Hackney
Councillor Clayeon McKenzie	Hackney
Councillor Ian Edwards	Hillingdon
Councillor Peter Mason	Ealing
Also in Attendance	
Rachel Willsher (Head of Procurement) (Observer)	Lambeth
Councillor Heather Johnson (Non Member)	Camden
Councillor Leo Pollak (Prospective Member)	Southwark
Councillor Cameron Geddes (Observer)	Barking & Dagenham
Councillor Johnson Situ (Prospective Member)	Southwark

	<p>Officers and Advisors</p> <p>John Skivington – LHC Group Director LHC</p> <p>Zak Muneer – Director of Corporate Services, LHC</p> <p>Mij Rahman – Director of Procurement LHC</p> <p>Jennifer Castle – LHC Regional Manager LHC</p> <p>Pam Chander – HR Manager LHC</p> <p>Neil Barker – Director WPA</p> <p>Clive Feeney – Director SPA</p> <p>Mary Bennell – Director SWPA</p> <p>Gary Cawley – Director CPC</p> <p>Neil Fraser – Honorary Clerk (Deputy) Hillingdon</p> <p><i>*Attendance may be inaccurate due to participants joining throughout virtual meeting</i></p>
1.	<p>APOLOGIES FOR ABSENCE (<i>Agenda Item 1</i>)</p> <p>Apologies for absence were received as set out above.</p>
2.	<p>TO SIGN AND RECEIVE THE MINUTES OF THE PREVIOUS MEETING HELD ON 29 NOVEMBER 2019 (<i>Agenda Item 2</i>)</p> <p>It was noted that the papers for future meetings required updating to reflect recent changes to membership.</p> <p>It was confirmed that the project group to identify and implement Key Performance Indicators (KPIs) had been set up in October 2019, and work was underway to ensure improved data capture, with social values a key area of focus.</p> <p>Regarding client satisfaction, the company was investing regionally to enable managers to engage with clients on every project required. It was confirmed that LHC currently had over 700 projects nationally.</p> <p>RESOLVED: That the minutes of the LHC Members' meeting held on 29 November 2019 be agreed as a true record.</p>
3.	<p>TO RECEIVE AND CONSIDER THE REPORT FROM THE DIRECTOR (<i>Agenda Item 3</i>)</p> <p>Consideration was given to a report by the LHC Group Director, which provided Members with an overview of the organisation's performance.</p> <p>The Joint Committee was informed that, while LHC had missed its turnover target in 2019-20, the income target had been achieved, confirming sustained growth for the</p>

eighth year in succession despite the impact of covid-19 in March 2020.

Regarding the lockdown enforced due to the covid-19 pandemic, as this had come into effect in March 2020, there had been little effect on the financial year 2019-20. However, a much larger impact was expected for 2020-21, and the challenge was for LHC to respond effectively within a post-covid environment. To ensure business continuity, all staff had been working full time from home.

For 2019-20, 626 new projects had gone live, across a total client base of 279 clients. Turnover was approximately £347.5m, with a resulting income for LHC of circa £8.4m. The value of income and turnover by framework was outlined as per the data within the report, with the importance of the windows and doors frameworks was highlighted.

A review of the health and happiness of LHC staff in December 2019 had shown a dip in staff happiness to a rating of 3.6 out of 5, (where previously scores were around 4). Only 64% of staff said they felt positive about LHC in December 2019. However, a new working from home survey in April 2020 had shown a marked improvement, to 95% positive staff feedback. It was likely that this was due to the confidence engendered by LHC's strong financial position, which allowed the company to continue to support staff through use of reserves.

During 2020-21, £372k had been invested into 51 separate community projects. In London, Locality had approved 23 projects totalling £118k, with a match funding estimated to be £74k.

In Scotland, LHC was in talks with Link Housing Association to acquire the partnering community investment charity, Lintel Trust. LHC was currently reviewing the legal and governance implications of this acquisition, with the aim of transferring Lintel Trust to LHC's ownership in September 2020.

Eight framework products had been launched during the year, with five more out to tender or at the research stage. A dynamic purchasing system had been introduced for smaller works, and improved product integration had helped clients to re-engineer their own processes to modernise construction. Due to reduced supplier activity during the covid lockdown, work on the N8 framework had been delayed, with the current N7 framework extended.

A new risk relating to covid-19 had been added to the risk register, to reflect the potential for a prolonged reduction in spending on public sector housing and construction projects. Income was expected to fall by 50% over the next 12 months, but was expected to be made up in the following years, as projects resumed.

Meetings had been held with three Constituent Members with a view to addressing Risk B: a lack of interest in LHC by LHC Constituent Members. From the meetings, it had become clear that different authorities had different procurement routes and strategies for using LHC, which did not impact on their membership of LHC. A range of recommended actions to promote higher levels of interest in LHC by LHC Constituent Members had been produced.

Committee Members sought clarity on how LHC were planning for future areas of focus for the business, and whether climate change and other green issues would be built into future frameworks. Officers advised that LHC frameworks were designed in line with market trends. A three year business plan had been instigated, which took into account political, economic, social and environmental factors, among others, and which then fed into five regional business plans which were aligned to the bespoke

challenges and opportunities within those regions. These areas of future focus included energy efficiency and modern methods of construction. Green issues and their incorporation into frameworks was aligned to environmental standards, however, it had been recognised that environmental factors had not yet been embedded within the entire range of LHC offers. Addressing this would be a key area of focus for the company moving forward.

Members requested detail on what the company was doing to address the forecasted 50% (£200m) reduction in turnover. Officers advised that staff were actively pursuing some 1,400 leads, while the business was adjusting frameworks and business in line with the impact on covid-19 in the longer term, with a view to offering new products in a post-covid world. It was confirmed that a new procurement conference was in the planning stages, and invitations would be extended to all Board Members.

Members suggested that the LHC frameworks be reviewed to ensure they were environmentally friendly in respect of windows. Officers advised that these would be reviewed.

Members suggested that the Community Benefit Scheme was not being advertised sufficiently. Officers advised that more effort was being put into marketing the fund, and further detail would be set out in agenda item 5.

Members requested that LHC officers work to promote the use of LHC frameworks within constituent authorities. Officers advised that work was underway to this effect, with an encouraging response from Lambeth Council in particular. It was agreed that further detail would be supplied to Board Members following the meeting.

RESOLVED: That the information contained in the report be noted.

4. **TO REVIEW THE HR REPORT FROM THE HR MANAGER** (*Agenda Item 4*)

Consideration was given to a report by the HR Manager, who outlined the HR Plan.

Members were advised that staff had been working from home as of 18 March 2020. Feedback to a survey conducted at the end of March had been mostly good, and flexibility had been extended to staff around childcare and work/life balance, without a significant impact on service delivery.

Planning for staff returning to work was underway. This included the completion of risk assessments, and consultation with staff, to ensure a safe return. In the Uxbridge office, a rota system as well as a staggered working pattern would be implemented to ensure social distancing requirements were met.

The Workplace Wellbeing group were meeting on a monthly basis, and had set out a calendar of events and activities for staff, with a view to promoting good mental health. Feedback to the events had been positive.

Performance and Development Appraisals (PADAs) had been completed by Managers for all staff members, with results showing a slight increase when compared to the average staff scores of the previous year.

A Learning and Development training matrix was being developed for all line managers to identify training needs in staff. Training courses would then be developed in response to the needs identified.

Regarding staff statistics, LHC had recruited 24 members of staff since April 2019, with 11 staff leaving. 40% of staff had less than 1 year service, 40% had between 1 and 5 years service and 20% of staff had been with LHC for 6 years and above.

LHC staff were averaging at 1.5 days sickness since April 2019. Since April 2020, four members of staff had been absent due to covid-19 related sickness.

As outlined during the Director's report, a health and happiness survey had been carried out in December 2019, which had shown a reduction in staff happiness in comparison to the previous year. The next survey was planned to be in December 2020, though an interim survey could potentially be held in Autumn in line with the Wellbeing Action Plan, to review staff feedback.

Members enquired as to the diversity of LHC staff, and whether the company had ambitions to diversify its workforce. Officers advised that the diversity of the workforce had not previously been an area of focus, with all hirings based on the existing equal opportunities policy. It was agreed that further detail could be included in a future report.

The importance of encouraging diversification across all partnerships, in what was often a white/male dominated industry, was noted.

RESOLVED: That the information contained in the report be noted.

5. **TO APPROVE A PROPOSAL TO AMEND THE ASSOCIATE MEMBERS REBATE MECHANISM** (*Agenda Item 5*)

The Group Director outlined a proposal to review the allocation of surpluses under the rebate mechanism, with a view to creating a single community reinvestment fund for each region.

Members highlighted the need for further data related to social impact of LHC frameworks. This was confirmed to have been recognised by officers, with the resultant implementation of the referred-to 3 year business plan expected to lead to adaption and improvements moving forward.

Some members suggested that LHC could remove the rebate entirely. It was agreed that officers review the rebate mechanism as recommended, with detailed proposals to be brought to the Board meeting in December.

RESOLVED: That the proposal in the report be approved.

6. **TO REVIEW THE REGISTER OF GIFTS AND HOSPITALITY AND REGISTER OF INTEREST** (*Agenda Item 6*)

Consideration was given to the register of gifts and hospitality, and the register of interests.

Members requested that future reports include the full monetary value of registered gifts received above the £25 threshold. This was agreed.

RESOLVED: That the register of gifts and hospitality, and the register of interests, be noted.

7.	<p>DATE AND TIME OF NEXT MEETING (SCHEDULED FOR DECEMBER 2020) <i>(Agenda Item 7)</i></p> <p>It was confirmed that the next meeting of the Joint Committee of the LHC would take place at 10am on Friday 04 December 2020. It was confirmed that the meeting would retain the ability for Members to attend remotely.</p>
8.	<p>ANY OTHER BUSINESS <i>(Agenda Item)</i></p> <p>The Group Director requested that Members approve Southwark, Camden, and Barking and Dagenham Council’s joining of the LHC, should they wish to do so.</p> <p>RESOLVED: That Southwark, Camden and Barking and Dagenham Councils be approved to join LHC, should they wish to do so.</p>
9.	<p>TO RECEIVE AND CONSIDER THE REPORT BY THE DIRECTOR OF CORPORATE SERVICES <i>(Agenda Item 8)</i></p> <p>Consideration was given to the Director of Corporate Service’s financial update, and it was:</p> <p>RESOLVED: That the information contained in the report be noted.</p> <p><i>The report relating to this item was declared as exempt from publication as it involved the disclosure of information in accordance with Section 100(A) and paragraph 3 of Part 1 of Schedule 12 (A) to the Local Government Act 1972 (as amended), in that the report contained information relating to the financial or business affairs of any particular person (including the authority holding that information) and that the public interest in withholding the information outweighs the public interest in disclosing it.</i></p>
	<p>The meeting, which commenced at 10.00 am, closed at 12.45 pm.</p>

These are the minutes of the above meeting. For more information on any of the resolutions please contact Hillingdon Democratic Services: democratic@hillington.gov.uk. Circulation of these minutes is to Councillors, Officers, the Press and Members of the Public.