

Minutes

LHC JOINT COMMITTEE

4 December 2020

Meeting held at Live on the Council's YouTube channel: Hillingdon London



	<p>Committee Members Present:</p> <table> <tr><td>Councillor John Bevan</td><td>Haringey</td></tr> <tr><td>Councillor Jackie Meldrum</td><td>Lambeth</td></tr> <tr><td>Councillor Jennifer Brathwaite</td><td>Lambeth</td></tr> <tr><td>Councillor Gideon Bull</td><td>Haringey</td></tr> <tr><td>Councillor Katrina Wood</td><td>Bucks</td></tr> <tr><td>Councillor Hass Yusuf</td><td>Enfield</td></tr> <tr><td>Councillor Eleanor Southwood</td><td>Brent</td></tr> <tr><td>Councillor Susan Fajana-Thomas</td><td>Hackney</td></tr> <tr><td>Councillor Mick O'Sullivan</td><td>Islington</td></tr> <tr><td>Councillor Philip Corthorne</td><td>Hillingdon</td></tr> <tr><td>Councillor Ian Edwards</td><td>Hillingdon</td></tr> <tr><td>Councillor Diarmaid Ward</td><td>Islington</td></tr> <tr><td>Councillor Leo Pollak (Prospective Member)</td><td>Southwark</td></tr> <tr><td>Rachel Willsher (Observer)</td><td>Lambeth</td></tr> </table> <p><i>*Attendance may be inaccurate due to participants joining throughout virtual meeting</i></p> <p>Officers in Attendance:</p> <table> <tr><td>John Skivington – LHC Group Director</td><td>LHC</td></tr> <tr><td>Clive Feeney – Director</td><td>SPA</td></tr> <tr><td>Neil Barker – Director</td><td>WPA</td></tr> <tr><td>Mary Bennell – Director</td><td>SWPA</td></tr> <tr><td>Gary Cawley – Director</td><td>CPC</td></tr> <tr><td>Mij Rahman – Director of Procurement</td><td>LHC</td></tr> <tr><td>Pam Chander – HR Manager</td><td>LHC</td></tr> <tr><td>Jennifer Castle – LHC Regional Manager</td><td>LSE</td></tr> <tr><td>Mike Talbot – Interim Director of Corp. Resources and Services</td><td>LB Hillingdon</td></tr> <tr><td>Neil Fraser – Honorary Clerk (Deputy)</td><td>LB Hillingdon</td></tr> </table>	Councillor John Bevan	Haringey	Councillor Jackie Meldrum	Lambeth	Councillor Jennifer Brathwaite	Lambeth	Councillor Gideon Bull	Haringey	Councillor Katrina Wood	Bucks	Councillor Hass Yusuf	Enfield	Councillor Eleanor Southwood	Brent	Councillor Susan Fajana-Thomas	Hackney	Councillor Mick O'Sullivan	Islington	Councillor Philip Corthorne	Hillingdon	Councillor Ian Edwards	Hillingdon	Councillor Diarmaid Ward	Islington	Councillor Leo Pollak (Prospective Member)	Southwark	Rachel Willsher (Observer)	Lambeth	John Skivington – LHC Group Director	LHC	Clive Feeney – Director	SPA	Neil Barker – Director	WPA	Mary Bennell – Director	SWPA	Gary Cawley – Director	CPC	Mij Rahman – Director of Procurement	LHC	Pam Chander – HR Manager	LHC	Jennifer Castle – LHC Regional Manager	LSE	Mike Talbot – Interim Director of Corp. Resources and Services	LB Hillingdon	Neil Fraser – Honorary Clerk (Deputy)	LB Hillingdon
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10.	<p>APOLOGIES FOR ABSENCE (<i>Agenda Item 1</i>)</p> <p>Apologies were received from Councillors Bagge, Mckenzie, Needs, and Situ.</p>																																																
11.	<p>TO CONFIRM THAT THE ITEMS MARKED IN PART 1 WILL BE CONSIDERED IN PUBLIC AND THOSE ITEMS MARKED IN PART 2 WILL BE HEARD IN PRIVATE (<i>Agenda Item 2</i>)</p> <p>It was confirmed that items 1-10 would be considered in public, and item 11 (and a newly added presentation from LB Hillingdon's Interim Director of Corporate Resources and Services) would be considered in private.</p>																																																

12.	<p>TO SIGN AND RECEIVE THE MINUTES OF THE PREVIOUS MEETING (<i>Agenda Item 3</i>)</p> <p>3.1 Regarding the matter of UPVC Windows Frameworks raised at the previous meeting, it was confirmed that a review of such frameworks was to be conducted in 2021, which would determine the environmental credentials of the windows.</p> <p>RESOLVED: That the minutes of the LHC Members' meeting held on 26 June 2020 be agreed as a true record.</p>
13.	<p>REPORT BY THE LHC GROUP DIRECTOR INCLUDING RISK REGISTER (<i>Agenda Item 4</i>)</p> <p>4.1 Consideration was given to a report by the LHC Group Director, which provided Members with an overview of the organisation's performance.</p> <p>4.2 The Joint Committee was informed that the business continued to be significantly affected by the Covid-19 pandemic. Business was down approximately 50%, though the organisation's strong financial position meant that reserves would cover this reduction, which was expected to improve once the pandemic was resolved and the recovery plan initiated.</p> <p>4.3 Staff morale continued to be high, though absenteeism had been seen to have increased, likely due to the unique stresses of the pandemic and increased isolation through the periods of lockdown. The business was focussing on staff wellbeing and had instigated several measures to ensure staff were less isolated, including regular catch up meetings, quizzes, online games, and virtual coffee breaks.</p> <p>4.4 New staff had continued to be recruited throughout the lockdown periods, and LHC was working closely with LB Hillingdon on governance and strategy, with a focus on staff wellbeing and training.</p> <p>4.5 Client satisfaction remained high at 91%, with appointed companies at 80%.</p> <p>4.6 Although business was down, the business had continued to generate new project leads. Four frameworks had been completed in the last six months, with one Dynamic Purchasing System (DPS), with further completions expected within the next six months.</p> <p>4.7 IT systems, including remote meeting tools such as Yammer, were working well. The business was working with PWC to further develop IT infrastructure for future years.</p> <p>4.8 Full details of Community Benefit Funds would be brought to the June 2021 meeting. The transfer of Lintel Trust, as suggested at the previous meeting, was being finalised, pending approval by LB Hillingdon. It was confirmed that there was no material financial impact on LHC as a result of the transfer.</p> <p>4.9 The risk register was outlined, which included risks relating to Covid-19, staff wellbeing, and business performance.</p>

- 4.10 Committee Members sought further information on the business's analysis of public sector construction within the next two years. Members were informed that the business continued to secure thousands of leads each year, in line with agreed KPIs. The business was confident that its forecast of increased income post-pandemic was accurate. Longer term, the business was following its own 3-year plan, which included research and analysis which considered political, economic, social and environmental factors. Quarterly meetings had been scheduled to carry out this analysis work, to inform a refined strategy. Key considerations for frameworks moving forward were likely to be safety (particularly post-Grenfell), the environment, and speed of construction.
- 4.11 All new frameworks were confirmed to contain environmental considerations, including recommendations from an external energy efficiency specialist that had been engaged in the previous year, and talks were ongoing with the government on likely future requirements. Brexit was not expected to result in material changes for the business in terms of its labour or supply chain. As new guidance, market forces, and technology was brought to the market, frameworks would be updated. Frameworks could be applied to all property types or sectors, though limitations did at times exist, particularly regarding the retrofitting of older buildings.
- 4.12 Members suggested that more regular updates be provided to the Board members, perhaps by way of a newsletter. In addition, it was suggested that Members could be engaged earlier, when the business was deciding how grant money was to be spent.

RESOLVED:

1. That the information contained in the report be noted; and
2. That the transfer of Lintel Trust to LHC be approved.

14. **BOARD HR REPORT** (*Agenda Item 5*)

- 5.1 Consideration was given to a report by the HR Manager, which contained details of LHC staff.
- 5.2 Members were advised that LHC was well represented in terms of diversity versus the UK average. It was accepted that further work was required to address gender pay gaps, as well as representation of female staff in senior positions. It was confirmed that all salaries were determined through a job evaluation process, supported by LB Hillingdon, and the business was confident it was not vulnerable to equal pay claims.
- 5.3 It was highlighted that the construction sector was a traditionally male dominated sector, and recruitment of highly skilled female staff was difficult due to competition from alternate employers. The business was therefore attempting to nurture and grow its female staff from within.
- 5.4 Members suggested that future reports contain more detail on staff (and potentially client staff), including a breakdown of ethnic minorities, staff roles, protected characteristics, and disabilities, and how these compared to statistical

neighbours within the sector. This was noted.

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

15. **PROPOSAL TO CONTINUE WITH THE CURRENT REBATE MECHANISM** (*Agenda Item 6*)

6.1 Due to the impact of Covid-19 on the business, the Group Director outlined a proposal to continue the current rebate mechanism as follows:

- To commit to pay member rebates for 2020-21 and 2021-22 under the current mechanism (except in northern England);
- To inform our members in March 2021 that the current mechanism will cease to apply from 1st April 2022;
- To prepare details for a replacement mechanism for LHC region from April 2022 for approval by the LCH Board in June 2021; and
- To implement the new mechanism in northern England in the current year.

6.2 Members were advised that the proposal to continue the current mechanism aimed to retain the goodwill of clients. Regarding northern England, it was suggested that the mechanism be changed this year, to allow for the funds to be held in a Community Investment Fund, to be administered by an independent agency. It was confirmed that member groups had been consulted on the proposed changes, and reception to the proposals had been positive.

6.3 Some members suggested that LHC would lose clients if their rebates were removed. When the matter was put to a vote, Councillor Brathwaite abstained. All other members voted in favour of the proposals.

RESOLVED: That the proposals in the report be approved.

16. **PROPOSAL TO PAY A PERFORMANCE PAY AWARD TO LHC STAFF** (*Agenda Item 7*)

7.1 The Group Director advised that, under the terms of the existing staff bonus scheme, staff would normally be paid a percentage of the companies' surplus. However, as there was no surplus this year, it was proposed that each staff member receive a one-off payment of £2.5k. The Board Members were advised that this could be agreed in principle, before formal agreement at the June 2021 meeting.

7.3 On a separate matter, some Members suggested that LHC review its governance arrangements in light of the Board being predominantly London based, despite London only accounting for 20% of LHC's revenue. It was suggested that there should be greater representation from other LHC regions at future Board meetings. It was agreed that the Group Director would discuss this with the Chairman following the meeting.

7.2 When put to the vote, Councillor Brathwaite abstained. All other members voted in favour of the proposals.

	RESOLVED: That the recommendations in the report be approved.
17.	<p>REGISTER OF GIFTS & HOSPITALITY & INTEREST <i>(Agenda Item 8)</i></p> <p>8.1 Consideration was given to the register of gifts and hospitality, and the register of interests. It was confirmed that, as meetings were not taking place due to the pandemic, no gifts had been received nor interests registered.</p> <p>RESOLVED: That the register of gifts and hospitality, and the register of interests, be noted.</p>
18.	<p>ANY OTHER BUSINESS <i>(Agenda Item 9)</i></p> <p>9.1 The Board was given a presentation on the new LHC websites, that launched on 10 September 2020.</p> <p>9.2 Improvements included greater accessibility, search engine optimisations, clarity over the various LHC regions, mobile usage, and consistency of design. Work was ongoing, and further improvements would include a separate London and south east site, an integrated modern methods of construction site, increased language options, news updates, and a member's area for clients and appointed companies.</p> <p>9.3 Members highlighted accessibility issues that required further work, and it was agreed that these would be reviewed.</p> <p>RESOLVED: That the presentation be noted.</p>
19.	<p>DATE & TIME OF NEXT MEETING <i>(Agenda Item 10)</i></p> <p>10.1 It was confirmed that the next meeting of the Joint Committee of the LHC would take place at 10am on Friday 25 June 2021. It was confirmed that the meeting would retain the ability for Members to attend remotely.</p>
20.	<p>FINANCIAL REPORT BY THE GROUP FINANCE MANAGER <i>(Agenda Item 11)</i></p> <p>11.1 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>This item is included in Part II as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and the public interest in withholding the information outweighs the public interest in disclosing it (exempt information under paragraph 3 of part 1 of Schedule 12A to the Local Government [Access to Information] Act 1985 as amended</i></p>
21.	<p>PRESENTATION FROM LB HILLINGDON'S INTERIM DIRECTOR OF CORPORATE RESOURCES AND SERVICES <i>(Agenda Item 12)</i></p> <p>12.1 Consideration was given to presentation by LB Hillingdon's Interim Director of</p>

Corporate Resources and Services, and it was:

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

This item is included in Part II as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and the public interest in withholding the information outweighs the public interest in disclosing it (exempt information under paragraph 3 of part 1 of Schedule 12A to the Local Government [Access to Information] Act 1985 as amended

The meeting, which commenced at 10.00 am, closed at 12.55 pm.

These are the minutes of the above meeting. For more information on any of the resolutions please contact Neil Fraser on 01895 250636. Circulation of these minutes is to Councillors, Officers, the Press and Members of the Public.