

# The Hyelm Group

## 87<sup>th</sup> Hyelm AGM – Minutes of Meeting

Minutes of the 87<sup>th</sup> Annual General Meeting of Hyelm held at 12.30 pm on Saturday, 26<sup>th</sup> April 2014 at Hyelm – Old Street, 43 New North Road, London N1 6JB.

### Members Present

Clive Bastin	Lee Buss	Tunji Faley	Martin Welch
Jeremy Batchelor	Mark Cleere	Paul Orrett	Wayne Willis
Rebecca Begej	Keith Douglas	Susan Parsonage	Paul Wilson
Graham Briscoe	Robin Fairfield	Howard Webb	Simon Wright

### Others Present

Pat Bastin	Peju Fabunmi	Jay Harvey	Mark Sharman
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### 1. Apologies for Absence

Rob Axford	Martin Crook	David McGill	George Stephens
Peter Binfield	Peter Dinsmore	Bruce McLennan	Helen Taylor
Karl Bird	Gill Drew	Sylvia Mead	Patricia Whitehouse
Kerry Bird	Michael Eddy	Peter Mills	John Wilkinson
Alan Brothwell	Hazel Gifford	Robin Park	Bryony Willett
David Brown	James Gillies	Lisa Partington	Mubina Willis
Ian Cobban	Clive Hall	Charlotte Paxton	Peter Wilsdon
John Collier	Tommy Kempner	Chris Rose	Ronald Woodridge
Fred Cornell	Adrian Lawrence	Sonia Ruff	Fred Wyatt
Mark Cotton	Richard Lorimer	John Sage	Norman Wootton

### 2. Chair's Introduction

Susan Parsonage thanked those present for their attendance.

She went on to say a few words by way of personal introduction and to introduce other members of the Board and Executive Management Team.

A review of the year followed. It was noted that:

- **In General**

This had been a year of considerable progress for The Group.

It was a year that saw the successful delivery of the second stage of our ambitious Strategic Plan for the three years to 2015.

It was a year that saw us continuing to become more outward reaching as an organisation with further progress being made in raising our profile within the housing and charity sectors.

It was also a year that saw considerable work being carried out in further strengthening our governance arrangements and excellent operational performance.

○ **Strategic Plan**

The Board had drawn up and adopted a new Strategic Plan during 2012.

This followed on from a fundamental review of the aims, objectives and ethos of Hyelm and Ames House.

The aim was to ensure that The Group, and what it does, remains fully relevant to the modern day and, very importantly, that it continues to respond to modern needs in a way in which our founders would have intended had they been with us today.

Research carried out as part of the review demonstrated that there remains a real need for high standards of affordable, rented, contemporary accommodation for young people in the capital today.

It also demonstrated that there remains a real need for safe, secure and supportive environments and for a sense of place and community to go with this housing, which is further evidenced by demands currently seen in the housing sector.

The Plan continues to be widely distributed to our stakeholders and to other organisations within the housing and charity sectors.

It can now also be viewed on our new-look website, which is a highly successful new initiative that was introduced during the year to give up-to-date information and rolling news articles on the work that we do as a social enterprise and to reflect the modern communication needs and expectations of our residents and other stakeholder groups.

Our website now also links to social media such as Twitter and Facebook. At this very early stage, over 10,000 people have already visited and said that they like our Facebook page.

Good progress continued to be made during the year in the second year of the delivery of the Board's Strategic Plan.

Existing links with organisations that work with young people in housing need in the capital, such as Centrepoint, Springboard, Bournemouth College and INSEEC, were further developed.

New links and relationships were forged, the most recent being with the Stephen Lawrence Charitable Trust and the Beyond Food Foundation.

Referrals for our accommodation were accepted from them as a result, enabling a number of young people in need to benefit from the affordable accommodation and stable communities that we provide and to make further progress on their pathways towards full independent living.

Fresh approaches to advertising and marketing, value for money, resident involvement and scrutiny, local community engagement, environmental sustainability, events and activities, apprenticeship schemes, information technology and communications also began to be implemented.

In addition, our executive team continued to raise the profile of The Group by hosting sector events at our housing schemes and by attending a variety of sector conferences, seminars and group meetings.

○ **Arthur West House**

As discussed at last year's Annual General Meeting, our housing scheme in Hampstead has served us well during its lifetime. Parts of the property are, however, now more than 35 years of age.

Although it continues to be maintained to a good standard, both planned and reactive maintenance costs are beginning to increase significantly.

Weaknesses in its physical design are also now apparent as the needs and expectations of regulation, legislation and young people change.

We also know that the building is likely to be very difficult and costly to convert.

It has been established from the research that we have carried out that the hostel type model that we currently operate no longer meets needs and expectations.

Resident turnover has increased as a result and we now have to work much harder than ever before to keep occupancy rates at high levels.

On top of this, some of the organisations with which we have formed links have now told us that they are no longer keen to refer young people to the scheme, which reinforces the research that we have carried out that indicates that the property no longer meets needs.

With all of this in mind, the Board held a strategic discussion on the future of the property during the year.

Information was considered on the environment in which we operate and on the issues and options that relate to the scheme.

The conclusion was that the option to sell the property with a view to re-providing more contemporary accommodation elsewhere in London was by far the most attractive in terms of value, risk and flexibility.

The option to dispose of the site would enable The Group to provide more accommodation in locations considered by young people to be attractive when compared to the other options considered.

This option would also mitigate the risks associated with cash flow, the raising of finance, falling demand and the increasing costs associated with running an older property.

The Board has since set up a sub-group to help it to further develop its strategy for Arthur West House and to support it in its delivery. The sub-group continues to make good progress in driving the issue forward. To date:

- A Consultant Development Officer has been appointed to assist the Executive Management Team and Board in the delivery of the strategy.
- A specialist firm of marketing agents has been appointed to market the property and to achieve maximum value. Best and final offers have now been received and will shortly be considered by the Board. The aim is to complete on a sale by October 2014.
- Solicitors have been appointed in relation to the sale.
- A firm of Lead Development Consultants is now in the process of being identified in accordance with the required EU procedures to help us to locate and procure suitable sites on which to develop and to attend to all aspects of project management thereafter.

- The Chief Executive has held introductory meetings with key local authorities and developing Registered Providers in London to establish their land disposal and development plans and whether we can tie in with these in any way.

In the meantime, the Board will continue to keep residents and other stakeholders informed of the progress that it makes, through newsletters and other means, and welcomes feedback that any interested party may wish to give on this, or indeed any other, aspect of its work.

The overall aim of the Board is to position The Group as the housing charity that offers the accommodation and communities that those whom we set out to house want to live in rather than have to live in due to there being a lack of affordable housing options elsewhere and to do so at great prices and in great locations.

- **Governance**

It is vital for the continued health and progress of the organisation and from the point of view of our regulators that our Board and governance arrangements reflect best practice guidelines and are of the highest standards at all times.

With this in mind, the Board has adopted and complies with all relevant aspects of the National Housing Federation's most recent codes on best governance practice and conduct. Hyelm is a member of the Federation.

A detailed review of The Group's performance against the new regulatory standards of the Homes and Communities Agency has also been carried out. This confirmed that full compliance with these standards has now been achieved, as appropriate.

In addition, an annual Board and Board member appraisal process is now followed. This is supported by governance development and succession plans, which continued to be implemented successfully during the year.

Thanks are due to all Board members who contributed their time during the year.

- **Day-to-day Operation**

A set of impressive performance indicators in relation to the year once again demonstrated our continued strength in management and service delivery.

The Board will continue to set and monitor challenging performance indicators during the year to come.

The quality and standard of our housing stock, facilities and services remain high, with strong emphasis being placed on maintaining safe and stable environments.

Thanks are due to all of our staff, in particular to those who work on the front line, whose teamwork, commitment and dedication were the keystones to another successful year.

- **In Summary**

The Board is confident in saying that it has good governance and staff teams in place and that Hyelm and Ames House continue to have a very positive story to tell in relation to their performance and plans.

It is also confident in saying that they remain well placed in terms of their people and finances to further adapt to meet the challenges that they now face as they move forward into the next stages of their development.

The Chief Executive added to the Chair's introduction by informing those present that a number of messages offering best wishes had been received from members of Hyelm subsequent to the circulation of this year's AGM papers.

He went on to refer to a specific question that had been submitted for consideration by the meeting earlier on in the day on whether enhanced planning permission could be sought prior to the sale of Arthur West House with a view to further maximising its value.

In this regard, it was noted that:

- Valuation reports had been produced by two specialist firms.

The first gave an open market valuation of between £20 million and £24 million on the basis that a change in planning use from Current Use to Residential Use (the highest value alternative use) would be granted by the local authority planning department for the property and the site on which it sits.

The second gave a valuation of £23 million.

- A pre-planning application meeting had been held with LB Camden to establish its views on future planning use. Feedback received from this meeting was positive and was used to inform the marketing strategy and pack that were then drawn up under expert professional advice.
- The professional advice that we received was that we should focus on seeking unconditional offers in the marketing campaign rather than seeking to obtain planning permission for change of use for the site by ourselves.

This would provide us with a clean exit and would avoid the complexities of the planning position associated with the property.

It would also allow greater flexibility in the choice of our new locations as it would avoid the requirement, governed via a Section 106 Agreement, for our new facility or facilities to be located specifically in LB Camden.

- Our advisors had confirmed that they were confident that bullish offers would be received on this basis, in particular, in view of the positive feedback that had been received from the meeting that had been held with LB Camden.
- The top five best and final offers that were subsequently received were all in excess of the Open Market Residential Use valuation that had been obtained.
- These offers are now in the process of being considered by the Board.

Arising from the general discussion that followed, it was further noted that:

- The income stream from Arthur West House will be lost when it is sold. The majority of the costs associated with running the property will also cease.
- Interest received from the sale proceeds of Arthur West House will cover the remaining central costs of the organisation that would otherwise have been covered by the income stream during the development process.
- The aim will be to continue to house young people in accordance with the Articles of Association of Hyelm in the new accommodation that is provided.
- Arthur West House no longer meets the objectives of the organisation. The loss of bed spaces that will arise during the development process as a result of the sale of the property will not, therefore, be an issue.

The Chair's introduction was otherwise noted.

### **3. Previous Year's Minutes**

The minutes of the 86<sup>th</sup> Annual General Meeting of Hyelm, held on 27<sup>th</sup> April 2013, were approved unanimously by those members present and by those members not present but voting by proxy.

### **4. Matters Arising**

There were no matters arising.

### **5. Annual Report, Financial Statements and Auditor's Report**

The reports for the year ending 15<sup>th</sup> October 2013 were adopted unanimously by those members present and by those members not present but voting by proxy.

The Director of Finance went on to advise that he was now in the process of changing the end of financial year date for both Hyelm and Ames House to 30<sup>th</sup> September. This was with a view to achieving greater efficiencies.

### **6. Chair and Chief Executive's Review**

The review of the Chair and Chief Executive in relation to the year was noted.

The Chief Executive went on to ask those present for their feedback on what made Hyelm and Ames House different from other organisations.

Individual comments were received as follows:

- Arthur West founded Hyelm in 1926 because he felt that the accommodation provided at the YMCA, of which he was a Director, was impersonal. He wanted to provide young people with a family home and a safe haven where they could develop their careers. Having a mixed community and a place to make friends from different backgrounds was also very important. It is not a Hampstead issue.
- I have been on many Boards. The feeling here is very different from other organisations. It has a special feeling of family.
- Hyelm means Hampstead to me. It provided an oasis for young people coming to London to work or to study. The common thread amongst residents was their limited means. It also housed a mixture of people. Not all members feel happy about moving away from the location.
- The charity has a long history of buying properties in less fashionable areas and then moving on as values increase. It was originally based in Tufnell Park.
- We must not relate Hyelm to just one location.
- Hyelm is bigger than location and money. The very fact that people like us are still here and keep coming back is important. The ethos is still in existence. We must not lose sight of Arthur West. Thank you to Hyelm. Keep it going. It is unique.

- My vision as a Board member is to house as many young people as possible in the environments that have just been described. Only a limited amount of people can be helped by staying in the current location.
- We cannot keep being nostalgic. London is changing all of the time. The best option is now being pursued in relation to Arthur West House.

## **7. Election of Members of the Board**

In accordance with the Articles of Association of Hyelm:

### **a. New Ordinary Non-executive Member:**

Paul Orrett was elected unanimously as a Member of Hyelm and as an Ordinary Member of the Board by those members present and by those members not present but voting by proxy.

### **b. Ordinary Non-executive Member retiring and eligible for election/re-appointment:**

Charlotte Paxton was elected unanimously as an Ordinary Member of the Board by those members present and by those members not present but voting by proxy.

### **c. Ordinary Non-executive Member retiring and eligible for election/re-appointment:**

Helen Taylor was elected unanimously as an Ordinary Member of the Board by those members present and by those members not present but voting by proxy.

### **d. Treasurer retiring and eligible for election/re-appointment as an Ordinary Member:**

Howard Webb was elected unanimously as an Ordinary Member of the Board by those members present and by those members not present but voting by proxy.

It was noted that the Board would re-appoint Howard as Treasurer at its next meeting.

### **e. Ordinary Non-executive Member retiring and eligible for election/re-appointment:**

Bryony Willett was elected unanimously as an Ordinary Member of the Board by those members present and by those members not present but voting by proxy.

## **8. Appointment of Auditors**

It was noted that Grant Thornton UK LLP had indicated its willingness to continue in office.

This was subsequent to a competitive tender process having been followed during the year in relation to the audit service.

Accordingly, Grant Thornton UK LLP was re-appointed unanimously as auditor by those members present and by those members not present but voting by proxy.

The Board was given authority to fix the remuneration of the auditor.

## **9. Any Other Business**

Thanks were given to the Board, Chief Executive and other members of the Executive Management Team and staff for their considerable work and contributions during the year.

It was confirmed that apologies for absence had been received from those Board members who had not been able to attend this year's AGM.

**This concluded the business of the 87<sup>th</sup> Annual General Meeting.**