## Minutes of the

**95th Annual General Meeting of HYELM**

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| **Date and Venue:** | 7 May 2022 at 09.30am via Zoom |
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| **Members Present:** | Andy Brainin (AB), Graham Briscoe (GB), Febechi Chukwu (FC), Keith Douglas (KD), Gill Drew (GD), Mike Eddy (ME), Chris Forster (CF), Jo Foster (JF), Ruth Goldfeather (RG), James Harrington (JH), Joel Inbakumar (JI), Vanessa James (VJ), John Lum Young (JLY), Helen Taylor (HT), Martin Welch (MW), Ronald Wooldridge (RW) and Simon Wright (SW). |
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| **Others Present:** | Sarah Armstrong (SA) – Property Manager, HYELM, Kirstie Berridge (CH) – Minute Taker, Ian Drew (ID) – Guest, Martin Grundy (MG) – Finance Director, HYELM. |

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|  | **AGENDA ITEM** |
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| **1** | **Apologies for Absence**  Apologies were received from Rob Axford, Jeremy Batchelor, Mark Cleere, Ian Cobban, John Fairchild, Olatunji Faleye, Peter Luff, Bruce McLennan, Sylvia Mead, Rhiannon Meredith, Robin Park and Fred Wyatt.  *Post Meeting Note: Apologies were also received from Wayne Willis and Clive Bastin who asked that the following statement be minuted:*  *Our sincere apologies – Clive was not able to attend the Zoom AGM this year, partly for a timing problem. However he still maintains a keen interest in everything associated with HYELM and sends his very best wishes for the continues progress and success of a very special and unique organisation.*  Notification of the following proxy votes had been received:   * John Fairchild – Chair appointed to exercise proxy vote. * Jeremy Batchelor, Rob Axford, Peter Luff, Robin Park - Chair appointed to register proxy vote with all votes for motion. * Tunji Faleye - SW appointed to exercise votes as follows: * Approval of last year’s minutes - SW to exercise proxy vote. * Financial Statement and Auditors Report - SW appointed to register proxy vote for the motion. * Re-election of Rhiannon Meredith - SW to exercise proxy vote. * Appointment of Andrew Brainin - SW to exercise proxy vote. * Appointment of Febechi Chukwu - SW to exercise proxy vote. * Appointment of Christopher Forster - SW to exercise proxy vote. * Appointment of SW - SW appointed to register proxy vote for the motion. * Re-appointment of Moore Kingston Smith – SW appointed to register proxy vote for the motion.   Where VJ and SW had been appointed to exercise proxy votes they would be recorded as a vote in the same way as their individual votes. |
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| **2** | **Chair’s Introduction**  VJ noted that it had been another interesting and challenging year for HYELM. It was nice to see so many Members present albeit virtually again. VJ hoped that next year the meeting could be held in person and, subject to HYELM’s Colindale development proceeding, she hoped to see everyone at the postponed site visit.  VJ thanked the Board members, Executive and wider staffing team for their dedication, commitment and support over the past 12 months. VJ expressed personal thanks to GB, retiring from the Board today following nine years’ service. Also, to HT who would be leaving the Board in June after nine years’ service. At the same time as leaving the HYELM Board both would be stepping down from the Board of Arthur West House Ltd, of which Helen acted as Chair. JF, RG and RM, members of the HYELM Board, had recently been appointed to the Arthur West House Board to join current members, JI, SW and MG. RG would be taking over as Chair of the Arthur West House Board to replace HT in June. Since joining HYELM Board VJ had been extremely impressed with the dedication and skills of all Board members and knew that HT and GB would be greatly missed. Both had agreed to stay on as Members of HYELM so would attend future AGMs. A small gift would be sent to both as a token of HYELM’s appreciation for their work.  It was with great sadness that VJ announced that Richard Lorimer and Chris Rose, two long standing Members and keen supporters of HYELM, had passed away during the year. VJ particularly acknowledged Richard’s contribution to HYELM who, after living at HYELM, had become a member of the HYELM Board and President of the organisation.  Details of progress with delivery against HYELM’s strategic objectives and ongoing operation had been covered within the AGM packs circulated in advance. Responses to the questions asked by Members in advance of the meeting had also been circulated. VJ wished to cover some of the key highlights.  The world was a different place since HYELM had purchased its new development site in Colindale. The impacts of living through a pandemic, a war within Europe and Brexit were all being felt. Individually each had an impact on companies developing out land, but collectively the effect has been devastating for the industry as a whole with delays, increased build costs and labour and materials shortages. Where larger organisations could swallow some of the increased costs, delays and shortages, the effect for HYELM had been acutely painful due to its small size with only one development. The pain has been compounded by the local Council initially rejecting HYELM’s application for £1.6m of compulsory charitable relief in relation to the Community Infrastructure Levy (CIL). It had taken around a year of negotiations, but the Council had now agreed in principle to award the relief, with formal approval anticipated at a Council meeting in June. At this point HYELM would be able to commence construction at the Colindale site without automatically triggering the £1.6 million CIL payment.  HYELM had now also arrived at an out of court settlement with the main contractor and insurer of Old Street in relation to the fire and other construction defect works. As part of agreeing to the settlement, all details relating to it had to remain confidential. Unfortunately, further details could not therefore be provided, save to say that the matter was now over.  Having received clarity on a number of issues HYELM were re-running new financial appraisals for the Colindale development to take into account the updated costs and should be in a position to determine the future of the development by June/July of this year.  HYELM certainly hoped to be in a position to complete the construction and indications at this stage were that HYELM should be in a position to do so. However, if HYELM had to walk away from the project and sell the site, it was unlikely that any money would be lost as the value of the site has increased by a greater amount than the cost spent on it to date.  The fire and other building defect works at HYELM’s Old Street development continued to be completed in phases with all works scheduled to be completed by 2025. Mitigation measures of a temporary fire alarm system and a waking watch remained in place.  VJ concluded that with the height of the pandemic over, things were slowly starting to get back to a sense of normality. HYELM had been lucky as an organisation to escape with, all things considered, limited operational impact. VJ expressed thanks to SW, MG, SA, Fred Bawua Anipah, Cindy Lee and Peter Nemeth who remained in their respective posts and had worked tirelessly during the pandemic to offer support to the residents and maintain the day-to-day operation of the organisation.  Regarding regulation, HYELM continued to comply with the regulatory requirements of its regulators, The Regulator of Social Housing and the Charities Commission.  Areas covered by HYELM’s internal auditors this year included compliance, governance and risk management with no fundamental issues being raised. |
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| **3** | **Approval of the Minutes of the 94th Annual General Meeting**  ***Decisions:***  *The minutes of the 94th Annual General Meeting of HYELM were approved by those Members present and by those Members not present but voting by proxy (as detailed under agenda item 1) as a true and accurate record. JLY abstained from voting.* |
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| **4** | **Matters Arising**  RW asked the Board to keep their options open regarding the Colindale development as the global supply situation and related challenges were having a huge impact and it was such a difficult time.  VJ wished to reassure RW and Members that the Board were acutely aware of the issues. The Board were reassured by MG’s financial projections, hopeful that there would be a positive outcome re. the CIL issue and that the financial reassessment for Colindale would come out in a positive way. The Board was also supported by specialist consultants and the Board took steps forward carefully and diligently. VJ felt confident that any decisions were well informed. |
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| **5** | **To Receive and Adopt the Report and Financial Statements and Auditor’s Report for the Year Ended 30 September 2021**  VJ noted that the 2020-21 financial statements had been circulated to members with the papers for the meeting. The accounts showed a sizable deficit of £0.776m, which was in part due to the fire and other construction defect works at Old Street. VJ confirmed that HYELM had now reached a settlement which meant that some of these costs would be recovered, but as the settlement was reached after the end of the financial year the recovery would show in the next year’s accounts.  Excluding the fire and other defect works, the deficit for the year was £288k, broadly in line with business plan and budget performance.  At the year end the HYELM balance sheet remained strong with capital and reserves totalling £31.552m. Spend on the Colindale development increased by £1.749m during the year increasing the total investment in the site to £13.194m. The spend on the Colindale development and the deficit on the income and expenditure account reduced cash balances by £2.426m to £16.721m leaving sufficient cash balances to deal with short term needs.  The overall financial position was currently good as significant cash balances remained from the sale of the Arthur West House property in Hampstead, which were able to absorb the deficits incurred. In the longer term, the annual cash deficits needed to be eliminated and it was anticipated that this would be achieved by the completion of the Colindale development.  The accounts had been audited and an unqualified audit report issued by Moore Kingston Smith, the external auditors.  VJ invited Members to ask questions or make comments.  GD asked for clarification regarding progress with the remedial works at Old Street and any projected future costs. SW confirmed that phase 1 had been completed with phases 2 and 3 still to be completed. These phases are in relation to the flats themselves and the external fabric of the building. HYELM could move forward with this work now that the settlement had been agreed. The full cost was not yet known with some elements of the work still to be tendered but the cost of the internal works would be about £2.3m. VJ confirmed that the dispute had been resolved to HYELM’s advantage and given access to an increased cashflow.  KD expressed considerable thanks and appreciation to all those involved in running HYELM over the past challenging year. KD asked if the value of the Colindale site had increased since it’s purchase. SW replied that the value had increased by more than the expenditure to date on the site. VJ confirmed that when looking at impact of risk and options for Colindale during the year it had been established that the site had increased in value.  KD asked if any assurance could be given that the best possible deal had been negotiated for HYELM in the settlement for Old Street. VJ confirmed that HYELM had been supported by specialist lawyers throughout the process and had acted in line with their advice in reaching a positive outcome. SW added that the process had been dealt with by way of professional mediation.  GB noted that HYELM had been close to the deadline that they could have claimed for Old Street, congratulating those who had picked up the issues within the timescales allowed. VJ understood that legal representation had been instructed well in time of the deadlines and that there was never any risk of missing any limitations and thanked GB for his fundamentally positive sentiment.  From the accounts KD saw that HYELM had £16m in cash deposits achieving an annual return of £36k. He asked if the Board were keeping performance under review with a view to perhaps increasing the rate of return particularly given current and projected rates of inflation? VJ confirmed that this would be considered during the course of the year. HT noted that because money was usually invested short term, it was reviewed regularly taking into account the change in interest rates.  VJ asked members to vote to approve the accounts.  ***Decisions:***  *The Report and Financial Statements and Auditor’s Report for the year ended 30 September 2021 were adopted by Members present and by those Members not present but voting by proxy (as detailed under agenda item 1). JLY abstained from voting.* |
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| **6** | **Annual Report for the year ending 30 September 2021**  VJ noted that the Annual Report was included in the AGM pack circulated in advance and invited questions from Members. There were no questions, and the Annual Report was noted by Members. |
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| **7** | **Appointments to the Board**  VJ took Members through the Board appointment recommendations, all unanimously voted by the HYELM Board to recommend to the AGM.   * Current Ordinary Board member **Rhiannon Meredith** had to stand down at this year’s AGM but remained eligible for re-election. Details were included in the ‘Notice of Business’ circulated in advance.   ***Decisions:***  *Rhiannon Meredith was re-elected/re-appointed to the Board as an Ordinary Member for a second term of three years by those Members present and by those Members not present but voting by proxy (as detailed under agenda item 1). JLY abstained from voting.*   * Following a recruitment drive, it was recommended that **Andrew Brainin** be appointed to the Board for a first term of three years as an Ordinary member. Details of Andy were included in the ‘Notice of Business’ circulated in advance.   ***Decisions:***  *Andrew Brainin was elected/appointed to the Board as an Ordinary Member for a first term of three years by those Members present and by those Members not present but voting by proxy (as detailed under agenda item 1). JLY abstained from voting.*   * Also, following the recruitment drive, it was recommended that **Febechi Chukwu** be appointed to the Board for a first term of three years as an Ordinary member. Details on Febechi were included in the ‘Notice of Business’ circulated in advance.   ***Decisions:***  *Febechi Chukwu was elected/appointed to the Board as an Ordinary Member for a first term of three years by those Members present and by those Members not present but voting by proxy (as detailed under agenda item 1). JLY abstained from voting.*   * Finally, from the same recruitment drive, it was recommended that **Christopher Forster** be appointed to the Board for a first term of three years as an Ordinary member. Details on Chris were included in the ‘Notice of Business’ circulated in advance.   ***Decisions:***  *Christopher Forster was elected/appointed to the Board as an Ordinary Member for a first term of three years by those Members present and by those Members not present but voting by proxy (as detailed under agenda item 1). JLY abstained from voting.*   * The Board was also recommending that current Chief Executive, **Simon Wright**, be appointed to the Board as an Executive member. This was common within the housing sector and in line with the previous practice at HYELM of appointing HYELM’s Chief Executive onto the Board. Details were included in the ‘Notice of Business’ that was circulated in advance.   ***Decisions:***  *Simon Wright was elected/appointed to the Board as an Ordinary Member for a first term of three years by those Members present and by those Members not present but voting by proxy. SW and JLY abstained from voting.* |
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| **8** | **To Re-Appoint Moore Kingston Smith LLP as External Auditor and to Authorise the Board to fix its Remuneration**  VJ stated the recommendation of the Board to re-appoint Moore Kingston Smith as HYELM’s auditor and to authorise the Board to agree and fix the fee for that service.  ***Decisions:***  *Moore Kingston Smith LLP was re-appointed as external auditor by those Members present and by those Members not present but voting by proxy. JLY abstained from voting.*  *The Board was given authority to fix the remuneration of the auditor. JLY abstained from voting.* |
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| **9** | **Any Other Business**  GD thanked the Board for the great achievement in reaching a resolution on the fire defect works at Old Street.  GD wished to say a few words in memory of Richard Lorimer. Richard had lived at HYELM as a young person and was dedicated to HYELM. He was a much-respected HYELM Board member and President, known for his energy and enthusiasm at all times. Richard was a man of integrity, decency and a positive force for good. Richard had made a massive contribution and would be greatly missed. VJ noted that it was important to maintain Richard’s legacy.  MW echoed GD’s words regarding Richard. He was also sorry to hear of Chris Rose. Both would be missed.  MW admired greatly what was going on at HYELM but was worried about the coming year, believing to be on the verge of a recession which would be very difficult especially for the people that HYELM catered for. MW wished everyone success in mastering the problems still to come and hoped they would not be too great. MW understood why the question had been asked regarding investments, highlighted the CCLA fund which particularly catered for charities which might be worth raising with advisers. VJ thanked MW noting that the Board shared confidence in MG’s management of HYELM’s finances and approach to investment.  RW confirmed his concern regarding HYELM’s huge commitment to the Colindale development in the face of what was going to be such a tricky time. Consultants with a stake in the development would always advise in support of the project, with real advice coming from people without a stake in the project. VJ highlighted that the recent recruitment drive had been careful to ensure that the Board had a complete skills matrix. The point made about consultants was important, but she was confident that the Board covered all aspects, especially with the three new Members.  VJ formally closed the AGM. |
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|  | **This concluded matters at 10.18am.** |