



Plymouth Community Homes Board  
Board Room, Plumer House and Microsoft Teams  
15<sup>th</sup> September 2022 at 5pm

**Present in person unless stated:**

Nick Lewis (NL) Chair  
Debbie Roche (DR) (Vice Chair)  
Lavinia Porfir (LP)  
Liz Nicolls (LN)  
Graham Clayton (GC)  
Tasawar Nawaz (TW)  
Maja Jorgensen (MJ)  
Julie White (JW)  
Jill Gregg (JG)  
Valerie Lee (VL) – virtual

**In attendance:**

Gill Martin (GM) Director of Corporate Services  
Charlotte Edwards (CE) Head of Strategy, Performance and Policy  
Katy Vincent (KV) Business Improvement Manager  
John Rees (JR) Head of Finance  
John Bougeard (JB) Corporate Finance Manager  
Luke Bevis (LB) Solicitor, Devonshires – virtual  
Lucy Rickson (LR) Head of Governance – Minutes

**Apologies:**

Sally Haydon (SH) Board member  
John Clark (JC) Chief Executive  
Nick Jackson (NJ) Director of Business Services and Development

<b>1.</b>	<b>Welcome and Introductions</b>	
	<i>The meeting started at 5.00pm</i>	
01/09/22	NL welcomed everyone to the meeting, which was confirmed as quorate.  It was explained that this is a short Board meeting, after which we will adjourn to the Annual General Meeting that starts at 6pm.	
<b>2.</b>	<b>Apologies for Absence</b>	
02/09/22	Apologies were received from SH, JC and NJ.	

**Redacted as some items Confidential and Commercially Sensitive**

<b>3.</b>	<b>Declarations of Interest</b>	
03/09/22	The guidance on declaring an interest was noted; there were a number of standing declarations. No further declarations had been received.	
<b>4.</b>	<b>Minutes of Previous Meeting: 28<sup>th</sup> July 2022</b>	
04/09/22	<p>The minutes from the Board meeting on 28<sup>th</sup> July 2022 were discussed, and it was <b>confirmed</b> that they were a correct record of the meeting and that they could be electronically signed by the Chair.</p> <p>The proposed redactions were reviewed, and these were <b>approved</b> by the Board. They will be published on the PCH website in line with the PCH Transparency Policy.</p>	
<b>5.</b>	<b>Decisions since last meeting</b>	
05/09/22	<p>There had been one efficient decision – Board and Co-optee member Terms of Appointment agreement update.</p> <p>The Chair noted a further amendment (clause 9.7 of the Board member agreement and clause 9.1 of the Co-optee agreement) to clarify annual leave arrangements:</p> <p style="padding-left: 40px;">replace ‘Unless otherwise agreed, you are required to take holiday on such dates as the Association notifies to you’ with ‘You may take your annual leave as you wish, provided you attend the meetings expected of your role and undertake your duties, subject to attendance requirements’.</p> <p>The PCH Board <b>APPROVED</b> this amendment.</p>	
<b>6.</b>	<b>Notes from Risk Session: 1<sup>st</sup> August 2022</b>	
06/09/22	<p>The notes from the Board’s risk session on 1<sup>st</sup> August 2022 were presented to the Board.</p> <p>It was agreed that any actions would be followed up at the next Audit and Risk Committee on 11<sup>th</sup> October 2022.</p>	
<b>7.</b>	<b>Briefing Papers</b>	
07/09/22	The Biodiversity & Development and West End Regeneration briefing papers had been circulated.	
<b>8</b>	<b>Annual Report</b>	
08/09/22	KV, Business Improvement Manager and CE, Head of Strategy, Performance and Policy presented the 2022 Annual Report for	

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	<p>Residents which gave an overview of PCH’s performance against its key metrics and strategic plan during the 2021/22 financial year.</p> <p>This year, to demonstrate to residents that PCH are working to implement the recommendations from the Social Housing White Paper, the themes within the Annual Report were aligned with those from the White Paper.</p> <p>Following positive feedback from previous years, an animation was produced as well as a written document to ensure the report is accessible.</p>	
09/09/22	<p><b>As a result of discussions, the following was clarified:</b></p> <p>Board members were pleased with the animation. They fed back some minor suggestions on clarity and noted that the amount of content needs to be balanced with the length of the animation.</p>	KV
10/09/22	The PCH Board <b>approved</b> the 2022 Annual Report for Residents.	
11/09/22	KV and CE left the meeting.	
<b>9</b>	<b>Redacted as Commercially sensitive.</b>	
12/09/22	Luke Bevis (LB) Solicitor at Devonshires joined the meeting via Teams for this item.	
13/09/22	<p>JB, Corporate Finance Manager presented the MorHomes Loan report to the Board.</p> <p>At the Board on 28<sup>th</sup> July 2022, approval was given by Board to apply to raise £10m via MorHomes and obtain credit terms. Following dialogue with MorHomes we have obtained credit terms.</p> <p>The purpose of the report was to seek approval from Board for the final terms and funding agreement in relation to the borrowing of £12m resulting in net proceeds of circa £10.3m on a fixed term basis. In addition, Board approval was sought to delegate the approval of the irrevocable letter and final interest rate cap used to go to market to the Director of Business Services and Development and CEO but not to exceed 4.75%.</p> <p>Set out within the report were the key details of the agreement which comprise the net proceeds receivable by PCH, an opinion of the agreement from our Treasury Advisors, Chatham’s, and a review of the final loan agreement our legal advisors, Devonshires, plus officers’ certificates and copies of minutes to be signed by Board.</p> <p>The key terms of the agreement are:</p>	

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	<ul style="list-style-type: none"> <li>• anticipated interest rate is 4.68%, based on 2038 loan</li> <li>• Loans will be secured by a first fixed charge over specified property</li> <li>• a minimum of 50% of the security portfolio is required to be General Need rented social housing</li> <li>• there are two options available to us regarding security, which in summary allows 12 months for full security to be arranged, but fees incurred, and loan default if security not in place after 12 months</li> <li>• Asset Cover is required to be equal or greater than 115% MV-ST, or 105% EUV-SH; it should be noted that current MorHomes bonds are trading below par, therefore security inefficient</li> <li>• annual desk top valuations and 5-year full valuation</li> </ul>	
14/09/22	<p><b>As a result of discussions, the following was clarified:</b></p> <p>Board was reminded that the advantage of accessing MORHomes funding is the speed at which we can access it; however, we are still considering the rates and covenants (particularly EBITDA MRI) available with Natwest and Ara Venn. Assurance was given that we have sufficient cash available and the Treasury Strategy approved by Board includes going to the market before further increases in interest rates.</p> <p>Officers gave assurance that:</p> <ul style="list-style-type: none"> <li>• the current lenders (Barclays and Natwest) had given consent</li> <li>• PCH is satisfied with the three points noted in Devonshires' report (4.2) in relation to pricing of the loan, covenant compliance and risk management</li> <li>• there were no current proposals that would involve changing our articles of association, which could then cause an issue with funding</li> <li>• property security for the loan will be arranged within 12 month, as per security option A</li> </ul> <p>There was a question regarding the potential rent increase cap of 5% impacting the Business Plan and loan interest rates. Officers confirmed that stress testing for a range of rent increase scenarios will be presented to the next Audit and Risk Committee and Board meetings.</p> <p>It was confirmed that the process from now would be to take advice from our treasury advisors, Chatham, on when the market conditions are favourable and only then sign the irrevocable letter to MorHomes instructing them to go to market and secure the funds, with the caveat of an interest rate cap of 4.75%. We have 12 months in which to do this, and Board will be updated on progress.</p>	
15/09/22	<div style="background-color: black; width: 100px; height: 15px;"></div>	

Meeting minutes  
Date

	<p>[Redacted text block containing multiple paragraphs of blacked-out content]</p>	
10	<b>Board and Committee Membership</b>	
16/09/22	LR, Head of Governance, presented the report which considered the most appropriate committee and subsidiary Board member appointments. The appendix showed proposals that included:	

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	<ul style="list-style-type: none"> <li>• placing new Board members where their skills, knowledge and experience would be best utilised</li> <li>• ensuring appointments are spread fairly across the Board membership (it was noted that some newer members would be observing meetings before an appointment is made)</li> <li>• ensuring a quorum is achievable</li> </ul> <p>The proposals had been discussed and agreed with individual Board members as part of their 121s with the Chair and Head of Governance in August/September and were proposed to start from 1 October 2022.</p> <p>The council had nominated John Riley to the PCH Board. The Chair and CEO were due to meet John shortly, and if appointed, he would join the Customer Focus Committee.</p> <p>There are vacancies for an independent PCH Regeneration (PCHR) Board member and Customer Focus Committee (CFC) co-optees. The skills on PCHR are currently appropriate and therefore the vacancy will be reviewed in a future succession plan. Recruitment to CFC would be carried out in time for the February 2023 CFC meeting.</p>	
17/09/22	<p><b>As a result of discussions, the following was clarified:</b></p> <p>It was confirmed that the new Plymouth City Council nomination was due to be interviewed later in the month, with a view to joining the Board in November.</p>	
18/09/22	<p>The PCH Board <b>approved</b> the proposals for committee and subsidiary Board member appointments and <b>noted</b> the vacancies.</p>	
11	<p>Next PCH Board meeting is 24<sup>th</sup> November 2022 and the joint Board meeting with Livewell is 29<sup>th</sup> September 2022.</p>	
19/09/22	<p><i>Meeting closed at 5.42pm</i></p>	

Signature.....

Nick Lewis – Chair

Date .....

Certified as a true copy .....

Lucy Rickson, Head of Governance

Date.....

Meeting minutes

Date