

Aspiration Homes LLP (registered number OC418000)

Meeting of the Executive Committee of Aspiration Homes LLP (the LLP)

24th March 2021 at 12.00 noon, Virtual (due to COVID-19)

Executive Committee Present:

A Executives on the Executive Committee of the LLP representing Eastbourne Borough Council, a Member

David Tutt (Executive Chairman) (DT)

Alan Shuttleworth (AS)

B Executives on the Executive Committee of the LLP) representing Lewes District Council, a Member

James MacCleary (JM)

William Meyer (WM)

In Attendance:

Tayo Adejumo, Project Accountant

Robert Cottrill, Chief Executive

Ian Fitzpatrick, Director of Regeneration and Planning

Jane McCarthy-Penman, Company Secretary

Nathan Haffenden, Head of Commercial Business Development

1. Appointment of Chair

Following discussions and at the request of the Executive Committee, DT took the Chair for this meeting.

2. The Executive Chairman confirmed that notice of the meeting had been given in line with Clause 16 of the Members Agreement, and that a quorum of the Executive Committee was present at the meeting (*quorum necessary for the transaction of business shall be four, such quorum to include at least two A Executives and two B Executives*).

3. Apologies for Absence

Tony Freebody (Executive A)

Zoe Nicholson (ZN) (Executive B)

Tim Whelan, Director of Service Delivery

4. Declarations of Interest

James MacCleary who has disclosed his interest as a Director of Lewes Housing Investment Company Ltd, Elected Member (LDC).

William Meyer who has disclosed his interest as a Director of Lewes Housing Investment Company Ltd, Elected Member (LDC).

Alan Shuttleworth who has disclosed his interest as an Elected Member (EBC) and East Sussex County Council Councillor.

David Tutt who has disclosed his interest as a Director of Eastbourne Housing Investment Company Ltd, Elected Member (EBC) and East Sussex County Council Councillor.

5. The Executives **agreed** the minutes of the meeting held on the 26th February 2021.
6. It was **noted** that there were no outstanding matters.
7. The Executives considered a report on the financial performance for the period ending 31st December 2020, 2021/22 Rent Increase and 2021/22 draft budget.

The Partnership reported profit of £10k for the period to 31st December 2020 against a budgeted loss of £23k, a favourable variance of £33k.

The favourable position stems from £26k in Right to Buy (RTB) grant received from LDC in respect of Western Road development resulting in the profit position for the period.

It was noted to date, the company has had no voids.

The balance sheet movements were discussed and noted.

Rent Increase

It was noted that annually, rental values are assessed, and increases are applied to rent in line with rental market values.

In line with the government rent policy, rent increase for the 2021 financial year is based on September 2020 Retail Price Index (1+RPI) reported at 1.1% by the Office of National Statistics will be applied to residential units across the partnership's residential investment portfolio.

2021/22 Budget

For the 2021/22 annual budget, the Executive Committee considered a balanced budget, as the operation of the business is expected to break even on account of the ongoing discussions with both Eastbourne Council (EBC) and Lewes District Council (LDC) ("the Partners") with the view of agreeing a reduced interest rate for the loans as the partnership interest payment accounts for over 87% of revenue. This has not yet been concluded.

It was noted that the net interest budget is based on both EBC and LDC agreeing to lower interest rate on the loans advanced to the partnership without which, the operation cashflow would be greatly impacted. An update will be provided at the next meeting of the Executive Committee.

It was noted that should there be any variances to the budget, these would be considered by the Executive Committee, with the appropriate mitigation measures and a revised position.

The Executives **resolved:**

- 7.1 To **note** the financial performance for the year to December 2020.
- 7.2 To **approve** the 2021/22 rent increase.
- 7.3 To **approve** the 2021/22 budget.
8. The Executive Committee considered a report on rent arrears and tenancy management for Q3.

It was noted that the arrears had increased slightly.

The moratorium remains in place until the end of May 2021, preventing the team from taken any enforcement action.

A question was raised as to the allocation of the LLP's portfolio. It was noted that applicants are taken from the LA waiting list to try and meet the housing needs of our customers.

1066 – LDC waiting list

1123 – EBC waiting list

It was noted that both have the same Allocations Policy.

The Executives **resolved:**

8.1 To **note** the report.

9. **Any Other Business**

9.1 The Head of Commercial Business advised that the transaction in respect of Victoria Mansions, Eastbourne was progressing. It was noted that there was a slight shift in how we were approaching the purchase. It was agreed that a briefing note would be circulated via email to the Executive Committee providing a full update.

10. **Close**

There being no further business, the meeting closed at 12.33 pm.

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Chair