

# Wellington Mills 2020-2025 Business Plan



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## Introduction

Welcome to the Wellington Mills Business Plan. It sets out a framework for the co-operative over the next five years, including our vision for the estate, our mission as an estate management body, our strategic objectives for development, and an action plan. These are backed up by an assessment of the risks the estate faces and a robust financial forecast.

Wellington Mills is a special place: a quiet, green haven in the heart of London with a close, supportive and diverse community. Our key priority is to maintain this high quality of life on the estate in the face of a changing estate demographic and increasing financial uncertainty.

This is our summary plan. All tenants and leaseholders will receive a copy. More detailed supplementary material is available on request from the estate office.

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## About Wellington Mills

The current Wellington Mills estate, comprising Holst Court, Mead Row and Oakey Lane, was designed by architect Barbara Bienias and built between 1970-1976 by the Greater London Council (GLC), with the first residents arriving in 1975. It was built on the site of John Oakey & Sons Ltd., a leading manufacturer of abrasives during the 19th and early 20th centuries.

The Wellington Mills Housing Co-Operative (WMHC) is a resident-led tenant-managed organisation (TMO), set up to manage the Wellington Mills Estate on behalf of the freeholder, the London Borough

of Lambeth. WMHC's rights and responsibilities are set out in the Management Agreement we have with Lambeth Council. Our responsibilities include day to day repairs, allocations and lettings, tenancy management, cleaning and caretaking. We receive an allowance from Lambeth Council to fund our operations, from which we are generally able to make a small profit. This profit is added to our reserve fund, which may be spent on projects for the benefit of the estate. We are lucky to have an unusually large reserve for a TMO of our size of approximately £620k.

The estate currently has around 300 residents and consists of 137 dwellings (77 leasehold, 60 tenanted) and 94 garages, set amongst attractive communal grounds and gardens, with an office open during working hours. We employ a full-time Estate Manager and Housing Officer and contract a cleaner and gardener for the communal areas. Our staff are overseen by an elected Management Committee of between 8-15 tenants and leaseholders, who each serve three-year terms. The committee meet approximately ten times a year and organise three General Meetings a year for residents. Any expenditure of more than £5000 from reserve funds must first be approved at a General Meeting.

## Our Vision

To maintain a peaceful and safe community in the heart of London, built on the success of the last forty years and secure for the future.

## Our Mission

To ensure the provision of excellent services that benefit all residents, and the maintenance of a green, peaceful and safe environment in line with our co-operative values.

## Our Core Values

- Equality: treating all residents equally
- Openness and trust
- Valuing our environment
- Safeguarding our co-operative's future

## Our Strategic Priorities

- Maintain and improve the estate's communal green spaces
- Renovate disused spaces on the estate for the benefit of all residents
- Ensure our governance and financial planning remains adaptable and robust to changing times
- Encourage community participation and provide services to vulnerable residents

## Consultation

All residents had the opportunity to shape the content of this business plan in writing and at general meetings and will continue to have the opportunity to impact its delivery. For further details about the consultation process and the responses received, please see the supplementary material.

## Risk Management

Wellington Mills, our neighbourhood and the wider Borough are all going through a time of change, and it is important that we manage risk to ensure that the estate remains financially viable and a pleasant place to live. We believe the keys to successful risk management are robust and flexible governance, maintaining a good relationship with Lambeth Council and maintenance of enough reserve funds to cope with unexpected negative events. For further details about our risk and mitigation plan, please see the supplementary material.

## Financial Plan

We are fortunate to be in a strong financial position, despite the recent cuts to housing budgets across London. In the 2018/9 financial year, income from all sources was £272K, total expenditure was £249K, leaving an operating profit of £25K with net assets of £622K. We do expect a reduction in the tenants' component of the landlord's allowance once the next review completes in October 2020 but are confident that we can maintain an annual surplus through ongoing reduction in costs (e.g. estate lighting, consultant fees). Lambeth Council consider our reserve funds to be oversized and have encouraged us to spend more of them for the benefit of the estate than has been the norm over the last few years. As part of the program of improvements outlined in the Action Plan, we expect to spend up to £35K of net assets by the end of 2020 and up to £250K of the surplus funds by the end of 2025, leaving a healthy buffer of at least £300K for unexpected events and projects beyond 2025 (for context, £285K of expenditure equates to approximately £200 per resident per year; £300K ongoing reserve would be enough to fund all estate expenses for at least a year). In the longer term, we are committed to seeking innovative ways to save costs and exploring options for increasing the amount of money the estate raises itself. For further details of the financial plan, please see the supplementary material.

## Action Plan

We have divided the action plan into short-term projects (to be completed in the next 1-2 years) and medium-term projects (to be completed in the next 5 years). The short-term projects require a relatively small amount of planning and financial outlay and we will seek to deliver them through the usual processes with active resident involvement. The medium-term projects carry more significant financial risk and uncertainty and will be appraised in more detail by dedicated working groups before any decisions are made. Underlying the action plan is a philosophy that demand for new services and facilities should be tested by low-cost initiatives before any large investments are made. For more details, including additional projects proposed during the consultation, please see the supplementary material.

### Short term projects to be completed

- Improvements to the large playground to make it a pleasant site for all residents
- Conversion of the three disused drying rooms into shared community and/or staff spaces
- Enhancing the green spaces on the estate and adding additional outdoor seating
- Making the most of community know-how (e.g. a list of recommended tradespeople, compiling an oral history of the estate)
- Seeking preferential and/or subsidized arrangements for room hire in nearby buildings for estate social clubs
- Increased focus on governance (e.g. modernisation and rationalisation of rules and policies, improved Management Committee and staff training plans)
- Improvements to site security (e.g. CCTV, warning signs)

### Medium and long-term projects to be appraised

- A dedicated community space, either on site or in a nearby building
- Major improvements to estate security, e.g. a new intercom system and gates at the Kennington Road entrance
- Working with the landlord to carry out major works on the windows and roofs or, if necessary, developing an alternative mechanism to ensure the works are carried out
- Investigating options to share staff with other TMOs to provide additional services to tenants and leaseholders (e.g. handyman, plumbing and electrical work)
- Optimising the utility of the garage spaces, e.g. by diversifying storage solutions or converting space into new facilities
- Creative investment of net assets to improve returns