

**NOTTINGHAM CITY HOMES**

**REPORT OF THE CHIEF EXECUTIVE**

**THE BOARD  
13 MARCH 2008**

**UPDATE REPORT**

**1 SUMMARY**

- 1.1 This report provides a brief update on some of the key issues currently on going in the organisation. This includes information on Human Resources Infrastructure, Service Charter, Board Away Day, Capital Programme, Allocations Review and NCH Brand Refreshment.

**2 RECOMMENDATIONS**

It is recommended that

- 2.1 The Board note the contents of this report.

**3 HR (HUMAN RESOURCES) INFRASTRUCTURE**

- 3.1 Over the last 12 months significant business and service improvements have been initiated through the Foundation Plan. From 1<sup>st</sup> April we will be focusing on these HR policies, procedures and practices which are essential for the effective management of the organisation. These will include:-

- Sick Absence
- Suspensions
- Grievance
- Disciplinary
- Flexi Leave – to be closely managed in line with customer needs
- Special leave
- Training

The HR Committee will be kept apprised of progress and will monitor outcomes across these areas.

3.2 Sick Absence

Overall sick absence currently stands at average of 15.17 days per employee. Although we will be improving the current policy and procedure, the main issues currently affecting these figures are:

- Restructure
- Tender process
- Management accountability and responsibility i.e. not applying policy consistently and appropriately

The restructure and tendering processes have unsettled staff and therefore will impact on absences. As part of ground zero, management accountability and responsibility will be re-iterated with EMT playing a more proactive role in monitoring through performance management information to ensure compliance.

### 3.3 Restructure

The outcome for the Property Services tender will not be known until 18<sup>th</sup> March 2008 after which time there is a cooling off period of 10 days, so the earliest announcement will be 28<sup>th</sup> March 2008. This has slightly delayed the restructure in this area; however the Company, following legal advice, will be looking to release critical posts before the end of the deadline.

Other areas of the business have undertaken their 'slotting in' exercise, informed all those identified as 'at risk' and confirmed to others which specialist area they have been assigned to. This has been a successful exercise with the minimum of disruption.

The next stage will be to start internal and external recruitment to fill vacant posts throughout the Company.

### 3.4 Health and Safety

The Company takes Health and Safety very seriously and the team responsible for ensuring it is delivered has worked hard during the year to raise the profile. Initiatives include:

- Working closely with managers to understand specific health and safety issues which affect their area
- Production of a Health & Safety Policy Booklet
- Risks Assessments being undertaken for high rise blocks
- Asbestos advice for tenants on the internet
- Production of an Operative Health & Safety handbook
- Updating the Company's Construction (Design and Management) Regulations procedures and documentation.

180 accidents have been reported across the Company, 25 were reportable under the 'Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDORS)'. These have been mainly for being hit by an object, manual handling issues, slips/trips/falls and accidents involving equipment. The other reported accidents have been of a minor nature which has necessitated retraining or issuing new instructions. Detail will be considered at the HR Committee.

### 3.5 Disability Symbol

NCH have formally signed up to become a Disability Symbol User. Under the scheme there are five commitments:

- Commitment 1: To interview all disabled applicants who meet the minimum criteria for a job vacancy and consider them on their abilities.
- Commitment 2: To ensure there is a mechanism in place to discuss at any time, but at least once a year, with disabled employees what can be done to make sure they can develop and use their disabilities.
- Commitment 3: To make every effort when employees become disabled to make sure they stay in employment.
- Commitment 4: to take action to ensure that all employees develop the appropriate level of disability awareness needed to make the commitment work.
- Commitment 5: Each year to review the five commitments and what else has been achieved, to plan ways to improve on them and to let employees and the Jobcentre Plus know the progress and future plans.

The Company already meets a number of the commitments and has put in place plans to ensure the others are met.

### 3.6 Investors In People

The Investor In People (IIP) standard is an internationally recognised business improvement tool used to help organisations to improve business performance through the development of its people. IIP is also an important part of the culture change the Company is undergoing. In February 2008, NCH achieved full IIP status for 3 years. Each year the Company will undertake an IIP health check to ensure that we are continually improving against the high standards we have already met. A copy of the Assessment Report has been included, for information, within the Board paper distribution.

## 4. **SERVICE CHARTERS**

- 4.1 We have recently undergone a consultation exercise to review our Service Charters in preparation for the new financial year and our 2008 - 09 Delivery Plan. Tenants and leaseholders were involved in a consultation event which considered our targets and service standards. The event was well attended, with workshops covering all of the service charter areas.

- 4.2 Following this draft Service Charters have been discussed at tenant forums and the final drafts will submitted to the next Tenant and Leaseholder Congress.
- 4.3 It is recommended that Board note the draft Service Charters which are circulated separately.

## **5 BOARD AWAY DAY 21 AND 22 FEBRUARY 2008**

- 5.1 This event was attended by 8 board members. The following items were discussed
- 2008/09 deliverables
  - Inspection Preparation
  - Accommodation Strategy
  - Repairs tender mobilisation
  - Service Level Agreements (SLAs) and
  - Board Preparations.

- 5.2 The next event is scheduled for 24 and 25 April. The session on 24 April will include a presentation from Ann Bennett – Lead Inspector for the East Midlands and on the 25 April tenant board members from Solihull and Wolverhampton will attend the meeting to share their experiences from recent experiences. Further details will be sent to Board Members nearer the time.

## **6. 2008/09 CAPITAL PROGRAMME**

### **6.1. Resources**

- 6.1. The budget for the delivery of the 2008/2009 programme has now been agreed by the Council. This budget covers that areas of Capital spend (improvements), such as Decent Homes, Aids and Adaptations, Major Void Works, Capital Schemes (such as Stonebridge, Highbury Vale). On December 28<sup>th</sup> 2007, the department of Communities and Local Government (CLG) confirmed that NCH would receive full bid funding for Decent Homes works (£165m). The profile for the funding has been changed however, with reductions in years one and two and increased funds in years three, four and five. Year one funding is reduced from £13.5m to £10m.

### **6.2 Status of 08/09 Programme**

The budget setting process for 08/09 has been shaped by reductions in income into the council's capital pot. The budget set for NCH on capital works reflects this. The total budget for Decent Homes is circa £26.7m. Of this however, £10m is CLG funding (available from Feb 09, subject to successful inspection in November), £4m is Void and £1.2m Fire

Damage works. This means that £11.5m core funding is available for Decent Homes (including fees and surveys).

The budget set does however enable most of the Decent Homes programmes to be started prior to the outcome of the Audit Inspection and will be based upon the resident's priorities and the re-streaming of works.

The later date of the inspection (Nov 08) and the likely point of draw down of funding following a successful inspection (Feb 09), means that we cannot commit the additional £10m until the outcome of the inspection is known and we will not spend the whole £26m within the financial year. We will however be able to increase the spend into year two to ensure that the programme is delivered.

### 6.3 **Current Programme**

#### **Nottingham Secure Programme**

Window Replacement £3.1m – Replacement to non double glazed windows in Aspley (based upon need).

#### **Warmth for Nottingham Programme**

Heating £3.1m - Complimentary works in Clifton and installations in Bestwood

#### **Modern Living Programme**

Internals £4.0m (kitchens and bathrooms etc.) – Clifton South and North – Completing works already underway by Keepmoat with emphasis on failing heating systems.

### 6.4 **Decent Homes Asset Management Strategy Implications**

The NCH Asset Management Strategy was approved by NCH Board and NCC Council in December 2007. The strategy was underpinned by several recommendations and actions all of which have been actioned as follows:-

- (a) *Agree the **five year programme** of works to achieve the Decent Homes standard.  
Agree that NCH carries out the **publication and consultation** of the programme.'*

#### **NCH Action**

The reductions in funding have meant that we have had to significantly change the way the programme looks in year one and subsequent years. We are currently completing version 10 of the 5 year programme due to the constant changes in funding. One of our biggest priorities is not promising what we cannot deliver. Consultation will follow the completion of this process

- (b) *'Note that in consultation with the Executive lead member, the **reprocurement by NCH** of Decent Homes Phase 2 works will be in line with the proposals within the NCH Asset Management Strategy and will incorporate elemental delivery of construction works. This will lead to a **reduction in the number of partners** better value to the scheme.'*

**NCH Action**

Reprocurement of the elemental schemes is well underway. OJEU notices (notice to the European market of our intention to buy services) were published for window replacement in February. Heating will be published in April.

Based upon our affordability studies, we informed 3 of the 4 contractors (Mears, Bullock, and Lovell) that we would not be renewing their contracts for 2008/09 on January 8<sup>th</sup> 2008. We are now in discussions with these contractors regarding their demobilisation costs.

- (c) *'Agree the intended procurement methods to deliver the programme incorporating **elemental streaming** of works relating to Windows and Heating based upon **residents priorities** '*

**NCH Action**

The 5 year programme is based upon the elemental streaming of works to residents priorities and procurement is taking place following the reduction in Decent Homes' contractors.

- (d) *'Agree the intended use of **PVCu windows** on the Decent Homes programme'*

**NCH Action**

Timber installation has now ceased and all future installations will be PVCU. The closure of the manufacture plant is also in progress.

- (e) *'Agree the approach to homes where Decent Homes' investment is unlikely to be undertaken due to **sustainability** issues.'*

**NCH Action**

NCH is actively engaged with the Council in ensuring that capital investment only takes place to properties where there is a clear sustainable future.

**7. ALLOCATIONS REVIEW**

- 7.1 The Choice Based Lettings Scheme, Nottingham HomeLink, was introduced in June 2006. A review of allocations and HomeLink is

currently underway. Consultation has taken place with applicants, tenants, Elected Members and other stakeholders. An Equality Impact Assessment of the allocations service was carried out in January 2008.

7.2 All aspects of the allocations service are being evaluated including the policy, the choice based lettings scheme and how it is applied and the IT operation. Best practice in 2 and 3 star ALMOs is being used to compare our service and priority need allocation, including taking into account progress reports on the benefits of choice based lettings from the Communities for Local Government.

7.3 It is evident that the provision of more support to applicants or prospective applicants will be a key outcome from the review. There will be an increase in the number of HomeLink Advisors to enable this to be achieved within the restructure currently taking place. In addition, actions are already underway to target applicants who:

- have requested bidding support
- are not bidding
- are bidding inappropriately
- are making high numbers of bids
- are over 60 years of age
- are in the top 100 in bands 2 to 4
- have management recommendations
- are not replying to review requests
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7.4 Due to the scale of the above, contact with applicants will be implemented on a rolling programme. A HomeLink Support Week is taking place at St Ann's week commencing 10 March 2008 where the above areas will be targeted with a co-ordinated approach by HomeLink, Lettings, Sheltered and the housing office team. Show homes have also been set-up during the week to promote and market properties. It is proposed that a Property Shop will further develop the service for the future, also encompassing wider housing options and links to worklessness.

7.5 The Council's Overview and Scrutiny Committee has HomeLink as an area of scrutiny activity and received a preliminary report in November 2007. They are to receive a progress report in April 2008 on the recommendations and actions to be implemented from the review. The review is due to be completed by 31 March 2008.

## **8. NOTTINGHAM CITY HOMES BRAND REFRESHMENT**

8.1 We are at the point of procuring a new fleet of over 300 vehicles and reprinting a substantial proportion of our leaflets and documentation (including the tenancy agreement). This offers the opportunity to consider whether the existing company branding needs refreshing. Several ideas have been sketched out and the designs will be on display at the Board meeting for the Boards consideration.

8.2 Both options modernise the existing concept without requiring radical change and can be introduced gradually as existing stocks run down. Neither option will require additional expenditure.

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