

**PERFORMANCE & REGULATORY COMMITTEE**

**MINUTES** of the Meeting held on **30 OCTOBER 2007** at Hounds Gate from 5.35pm to 8.20pm

**Attendance**

**Committee Members**

Ade Aderogba  
Tim Bell  
Janet Storar (Chair)  
Paul Rowe (arrived 5.50pm)  
Malcolm Wood (left 7.05pm)

**Also In Attendance**

David Angus - Interim Director of Property Services (left 7.00pm)  
Neil Barks - Head of Performance & Best Value  
Steve Everson - Interim Director of Finance  
Manu Gill - Governance Officer  
Janet Locker - Governance Team Leader  
Gill Moy - Director of Housing Operations (arrived 5.30pm)

**07/01 WELCOME, INTRODUCTIONS FROM THE CHAIR & ANNOUNCEMENTS**

The Chair announced that Agenda Items 5, 7 and 17 would be deferred to a Special meeting of the Committee, date to be arranged.

**07/02 APOLOGIES**

An apology for lateness was received from Paul Rowe.

**07/03 DECLARATIONS OF INTERESTS BY BOARD MEMBERS AND OFFICERS**

No declarations were made.

**07/04 MINUTES OF THE PERFORMANCE & REGULATORY COMMITTEE HELD ON 27 FEBRUARY 2007**

The Minutes were agreed and adopted as a true and accurate record of the Meeting.

**07/05 MATTERS ARISING NOT COVERED BY THE AGENDA**

**07/05.1 Minute 31**

Clarification was sought by the Committee in relation to Write Offs and/or Write Outs, it was confirmed that the debts should be write outs whilst there was an opportunity to recover at a later date.

## **07/06            BUDGETS 2008/09**

The Interim Director of Finance presented the Company's draft Budget for financial year 2008/09. The Budget was due for submission to the City Council on 31 October 2007.

The Committee was informed that a mid-term financial plan was under development and would be submitted to the Board for approval upon completion.

The Committee was concerned about the lack of detailed information, they advised that they would like to examine the budget in greater detail and requested that more detailed information be provided in the future.

The Interim Director of Finance advised that the budget had been constructed on a break-even basis and would be developed further over the next few weeks. He stated that he anticipated further reductions in the longer term.

Ade Aderogba asked about the adequacy of resources for Equality & Diversity and asked for assurance that the proposed revised staffing structure took into account the need to provide further funds for this service.

The Committee considered whether they should defer the approval of the budget to a further meeting, and following further discussion, they agreed that they should make a decision. It was agreed that the budget was at a preliminary stage, further discussions would be held with the City Council's Retained Housing who would express a view and if there was room for negotiation following the City Council's comments, the Committee should proceed. The Committee further considered how the budget should be presented to the City Council.

### **RESOLUTION:**

**The committee approved the draft budget for submission to the City Council subject to discussion and negotiation with the City Council.**

## **07/07            HOUSEMARK**

The Head of Performance & Best Value gave a brief update; he advised that section four of the report outlined a detailed analysis of the work to be undertaken in the next four to six weeks. The analysis shows the Company operates at high costs and low performance compared with other Arms Length Management Organisations.

The Committee was advised that one of the high costs was attributed to the Information Technology (IT) being provided under a Service Level Agreement with the City Council. The cost per property was currently Fifty-two pounds (£52). The City Council's Retained Housing manages the IT team who support the Company's systems.

The Committee was advised that most ALMOs outsource IT and that the IT Strategy was under development.

The Head of Performance & Best Value advised that Committee that a detailed piece of work needed to be completed in preparation of the Special meeting of the Committee.

**The Committee noted the report.**

## **07/08 QUARTLEY FINANCIAL REPORT**

The Interim Director of Finance presented the second quarter report. He advised that at this stage in the financial year a revenue surplus of One hundred and twenty thousand pounds (£120k). The forecast capital expenditure was a little ahead of approvals and he flagged two schemes where additional funding had been requested from the City Council.

The Committee was informed that the pay award was still outstanding; however, the forecast was in line with the spending.

The Interim Director of Finance highlighted the risks to income and expenditure. A minor risk was that the budget contained One million, five hundred thousand pounds (£1.5m) for the Company's development bids, all of which were subject to a satisfactory business case being submitted to the City Council.

Tim Bell raised concern about the lack of foresight in the rising fuels prices and the delays reported. He stated that he would like an explanation why we fell in the trap.

**The Committee noted the report.**

## **07/09 SLA REVIEW PROGRESS UPDATE**

The Interim Director of Finance updated the Committee of the position of the SLA reviews with the City Council.

The Committee was informed that withdrawal from SLA's does not create a total cost saving as the service would have to be delivered through additional internal resources or by external resources. However, some savings had been achieved where SLAs had been re-negotiated or withdrawn.

Malcolm Wood stated that he was concerned that the Company was entering in to a deal with Corporate Services; he was concerned about the way the department delivers. The Interim Director of Property Services advised the Committee that the Company would pursue the option whether to withdraw and either provide the service in-house or out source.

The Interim Director of Finance confirmed that the cost of the HR SLA had been reduced in the past and there were further savings to be achieved.

The Interim Director of Finance was now the lead officer in negotiating the Legal Services SLA. In the main, the City Council's legal team undertake case of anti social behaviours and tenancy management. A discussion followed regarding whether legal work should be handled in-house and/or out sourced. The Committee was informed that this would be one of the SLAs that could be market tested to see if the Company was achieving value for money.

The Interim Director of Finance advised the Committee that since the departure of the City Council's Risk & Insurance Manager, negotiations had stalled. The SLA charge was Forty-eight thousand pounds (£48k).

The Committee was concerned about the high costs involved in delivering the IT SLA and considered what would be the best approach in re-negotiating the SLA with the City

Council. The Committee discussed the option of market testing and it was their general opinion that there was not sufficient time or capacity to market test at this time, not to say that it should not be done in the future. The initial challenge for the Company was to prioritise the SLA's and challenge why, how and what makes the cost.

It was agreed that the next report would contain information in relation to the priority areas, what resources and time were involved and the scoping of the SLAs in order that the Committee could measure the progress.

The Committee congratulated the Officers for the progress made to date.

## **RESOLUTIONS:**

### **The Committee**

1. **Acknowledged the withdrawal, in part or in full, from the following Service Level Agreements:**
  - (i) **Health & Safety – full withdrawal, effective 31 March 2007**
  - (ii) **Building Cleaning (Residencies) – part withdrawal, effective 15 October 2007**
  - (iii) **Financial Services (Internal Audit) – part withdrawal, effective 31 March 2007**
  - (iv) **Fleet Management (Admin Charge) – part withdrawal, effective 31 March 2007**
  
2. **Approved the Service Level Agreements 2007/08 with the City Council for Drainage Services and Refuse Collection & Skip Hire**

### **07/10 COMPANY PERFORMANCE REPORT 1 APRIL 2007 TO 30 SEPTEMBER 2007 (QUARTER TWO 2007-2008)**

The Head of Performance & Best Value presented a report which measured the company's performance for the half year period against national Best Value and local primary indicators and the planned activity contained within the Foundation Plan.

The Committee was informed that the Foundation Plan gave the Company focus for next six months and that the Delivery Plan and Service Plans would be the vehicles to the next inspection and beyond. The Head of Performance & Best Value informed the Committee that a major piece of work was still to be undertaken and highlighted the areas of achievement and concern.

#### **(i) Access & Customer Care**

It was reported that with the exception of the Repairs and rents Call Centres, the Company's telephone call handling monitoring system has not worked properly since April 2006. It has been estimated that the Company handles in excess of One million calls per year. Steps are now being taken for the Company's Head of ICT to pursue other options in consultation with the City Council.

The 3 C's was made live in April 2007 and the service has already been reviewed. There had been some teething problems geographically initially; however these have been resolved by having established specialist teams in service areas. This has given rise to an improvement in performance in October 2007. The Local

Government Ombudsman (LGO) had endorsed the 3 C's Policy as Best Practice and fit for purpose.

It was reported that there had been three significant amounts of compensation awarded. The most significant award was for Fourteen thousand pounds (£14k), in relation to the clearance of possessions where the Abandonment Procedure had not been rigorously applied.

There had been disappointing performance in relation to the handling of City Council Members Enquiries, two systems were in operation and there was some system alignment required. The Company's Chief Executive has; with immediate effect; changed the response time to five working days.

(ii) Rent Collection

It was reported that the Rent Collection remained bottom quartile. The single specialist structure was implemented in July and this would act as a benchmark for the future.

(iii) Void Property Management (VPM)

It was reported that the average relet time had remained static for the period. There had been a reduction of long-term voids from One hundred and seventy-three (173) to One hundred and thirty-six (136).

(iv) Responsive Repairs

It was reported that performance had started to improve over the last three months, this was attributed to appointments being made and kept, appointments being offered for internal and external work and the works orders no longer being closed until the work has been completed.

(v) Estate Management

It was reported that a pilot scheme on three of the no stars estates (Crabtree Farm, Marmion, and Noble Road estates) had commenced with the City Council. The Tenants Service Inspection Team is enthused by the timing of the work. The feedback received from the Housing Patch Managers has also been welcomed.

(vi) Repairs & Maintenance

It was reported that performance in this area had fallen mainly due to changes in the handling of orders. Since October 2006, an operative receives one order to complete work. This was not at present a concern for the Company.

(vii) Attendance Management

It was reported that at present the level of sickness absence was currently Fourteen point six one days per employee. Seventy-three employees were currently absent from work.

Approximately, two-thirds of the sickness absence was attributed to long-term sickness.

The Directors were campaigning for the procedure to be overhauled as there were inconsistencies in application of the procedure across the Company.

**The Committee noted the report.**

**07/11            ISO 9001:2000**

Consideration was given to a report of the Director of Housing Operations which informed the Committee of the work that was being undertaken to implement the ISO 9001:2000.

The Committee was advised that in the Company's preparations for inspection by the Audit Commission in June 2008 it planned to ensure all of its procedures are ISO: 9001:2000 compliant and the Company was working towards ISO accreditation in September 2008.

**The Committee noted the report.**

**07/12            REVIEW OF SERVICE CHARTERS**

The Director of Housing Operations presented a report which advised the Committee of the work undertaken to review the Company's Service Charters. She advised the Committee that the performance targets within them were inconsistent with other material within the Company. The new Service Charters are to be aligned with the performance targets.

Work is being undertaken to review the customer information leaflets. The review will consist of a one-day event to which tenants, leaseholders and employees will be invited. Consultation will take place at the Service Forums and Groups and finally the Tenants & Leaseholder Congress in January 2008.

**The Committee noted the report.**

**07/13            PROGRESS ON TENANT & LEASEHOLDER COMPACT ACTION PLAN**

Consideration was given to a report of the Tenant & Leaseholder Participation Manager which updated the committee of the progress made to date on the implementation of the Tenant & Leaseholder Participation Compact Action Plan.

The Committee was informed that a website has been developed and two Area Panels are now linked.

The Director of Housing Operations informed the Committee that the Leaseholders have their own forum, their own newsletter and they have been invited to the event.

**The Committee noted the report.**

**07/14            WRITE OFF OF FORMER TENANT ARREARS**

The Director of Housing Operations presented a report which provided an update of the value of former tenant debt that had been written off, year to date.

The Committee was informed that the Company was being pro-active when completing sign-ups, more details are being collated and in particular details of next of kin are being obtained from the younger single people.

A discussion regarding the differences in Quarter One and Two performances took place; this had been attributed to the implementation of the single specialist team in July 2007.

The procedure for write offs was explained briefly to the Committee, ultimately the City Council sign off the write offs.

**The Committee noted the report.**

**07/15 COMMITTEE WORKPLAN**

The Committee considered the workplan and remarked that the timing of some of the items appeared to be wrong and the Chair asked the Committee to consider whether there would be any benefit in holding any additional meetings.

It was agreed that Officers would issue paper work to the Committee as an ongoing process.

The Committee authorised the Chair to circulate new dates.

**07/16 DISPENSATIONS FROM THE FINANCIAL REGULATIONS**

The Interim Director of Finance presented a report which advised the Committee of the dispensations to Financial Regulations agreed since the last meeting.

Further reports would be submitted to the Committee where further dispensations have been agreed since the previous meeting.

**The Committee noted the report and register of dispensations.**

**The Meeting ended at 7.45pm**

**SIGNED ..... DATED .....**