

Northwards Housing – Resource & Governance Sub-Committee Meeting

Hexagon Tower
Tuesday 23rd May at 5.30pm

Chair: Harvey Norton

Present: Eric Hobin (EH) Board Member
Richard Lockwood (RCL) Board Member
Martin McKeivitt (MM) Board Member
Harvey Norton (HN) Board Member
Fionnuala Stringer (FS) Board Member

In Attendance: Steve Wood (SW) Director of Business Services
Alison Foster (AF) Head of Finance

ITEM	SUBJECT	ACTION
1	Welcome and Introductions It was confirmed that the meeting was quorate.	
2	Apologies for Absence Apologies had been received from Ade Alao (AA).	
3	Declaration of Interests / Confidential Matters / Equality & Diversity Matters Arising There were no matters for noting under this item.	
4	Minutes of Last Meeting - 25th April 2006 The minutes of the previous meeting were approved and signed by the Chair.	
5	Matters Arising a) Appointment of Auditors SW reported on the shortlists for the presentations and interviews for External and Internal Auditors. He and AF had interviewed three firms for each appointment on the previous day.	

	<p>The outcome of the process for appointing a firm for External Audit had resulted in the selection of Robson Rhodes who had a lot of housing and ALMO knowledge and experience as well as a personable team.</p> <p>Following a brief discussion, Sub-Committee agreed to appoint RSM Robson Rhodes LLP as External Auditors and recommended to the Board that this appointment be made subject to Manchester City Council approval.</p> <p>Recommendation to the Board: The the Board approve the appointment of RSM Robson Rhodes LLP as External Auditors.</p> <p>KPMG had been selected from the shortlist for firms to provide Internal Audit Services. They brought considerable ALMO experience to the role and the Head of Housing and Manager had impressed.</p> <p>The Sub-Committee asked a few questions and the importance of getting the right people and team doing the work was noted.</p> <p>Sub-Committee agreed to appoint KPMG LLP as Internal Auditors and recommended to the Board that this appointment be made.</p> <p>Recommendation to the Board: That the Board approve the appointment of KPMG LLP as Internal Auditors.</p> <p>b) Performance Management Framework Further to the previous meeting, SW presented some recommendations for targets in relation to finance and rents performance measurement for 2006-07 following review of the ALMO upper quartile statistics and existing performance.</p> <p>Sub-Committee asked a number of questions of detail about the measures and the proposed targets. SW was asked to bring back to the Sub-Committee, further information about NHL054 Notices to Quit and details of what was included in Special Services costs.</p> <p>After review, Sub-Committee agreed the following targets for 2006-07:</p> <p>BV66a - Rent collected (including arrears) - 97% BC66b - Tenants with more than seven weeks rent arrears - 7.7%</p>	<p>Board</p> <p>Board</p> <p>SW</p>
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	<p>BV66c - Tenants in arrears who have had Notices of Intent to Seek Possession served - 30%</p> <p>BV66d - Tenants evicted for rent arrears - 0.5%</p> <p>MHL037 - Rent arrears of current tenants as a proportion of rent roll - 3.3%</p> <p>MHL035 - Rent collected (excluding arrears) - 99.5%</p> <p>NHL052 - The number of Notices to Terminate served to Introductory Tenants - 75</p> <p>NHL053 - The number of Suspension cases and cases granted - 420 and 190</p> <p>NHL054 - The number of notices to quit served - 100</p> <p>BV8 - Invoices paid within 30 days of such invoices being received - 100%</p> <p>MHL043 - Average weekly cost for repairs - £19.87</p> <p>MHL042 - Average weekly cost for general management £9.15</p> <p>MHL041 - Average weekly cost for special services - £1.52</p> <p>c) Governance Development Plan HN asked for a report on progress with the Governance Development Plan, including progress on the Governance Resource Pack to come to the next meeting of the Sub-Committee and this was agreed.</p>	SW
6	<p>Monthly Budget Report</p> <p>AF reported on progress with preparing the monthly budget reports which it was hoped would be completed over the next week. There had been difficulties in obtaining cost splits from the Council as a result of their new accounting system and this had delayed things.</p> <p>AF reported that she had now met with all Senior Managers to discuss their budgets.</p> <p>Sub-Committee noted the report and the fact that they would be receiving copies of the detailed monthly reports for review.</p>	
7	<p>Business Plan</p> <p>a) Annual Efficiency Statement</p> <p>SW presented the Annual Efficiency Statement for 2006-07 that had been drafted in accordance with guidance published by various bodies. It contained the three elements of overview, forward look and backward look as required although in this first year, the prominent section was the forward look. The target efficiency gains for 2006</p>	

	<p>-07 were £645,000 or 2.7%.</p> <p>HN suggested that a clear message be shown in the Statement about the reinvest of efficiency gains for tenant services and SW agreed to amend the Statement to reflect this.</p> <p>Sub-Committee approved the Annual Efficiency Statement 2006-07.</p> <p>Recommendation to the Board: That the Board approve the Annual Efficiency Statement 2006-07.</p> <p>b) ICT Strategy</p> <p>The ICT Strategy that had been formulated by the Principal ICT Manager had been circulated to the Sub-Committee.</p> <p>Sub-Committee discussed some of the detailed areas covered, including future efficiencies through mobile working and the budget figures. In relation to the latter, SW agreed to bring back to Sub-Committee a further breakdown of the budget.</p> <p>In relation to support to Board Members in relation to ICT, SW confirmed that this would not be one solution to fit all needs and that a further discussion would take place with the Board about the level, and cost, of support required.</p> <p>Sub-Committee approved the ICT Strategy.</p> <p>Recommendation to the Board: That the Board approve the ICT Strategy.</p> <p>c) Risk Strategy</p> <p>SW presented the work done to date on the organisation's Risk Strategy and Primary Risk Register. It was felt that further work was still needed on this register and therefore it was not ready for approval yet.</p> <p>MM noted that no ICT risks were listed in the Primary Risks. Sub-Committee felt it would be helpful if the full matrix of risks could be brought back for assessment and this was agreed.</p> <p>Sub-Committee noted progress to date in relation to preparing the Risk Strategy.</p>	<p>SW</p> <p>Board</p> <p>SW</p> <p>Board</p> <p>SW</p>
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	<p>d) Business Plan 2006 - 2016.</p> <p>Sub-Committee discussed the draft Business Plan 2006 - 2016 that had been prepared, mostly from other information already available, including the Delivery Plan and the Self Assessment Forms for Inspection.</p> <p>MM asked for the Plan to be clearer about what the organisation was trying to achieve in each area and how the seven objectives linked through the document. Sub-Committee also felt there should be consideration of how measurement of delivery of the Plan would be assessed.</p> <p>HN requested further information about the financial scenarios and what potential there was for clawback of surpluses resulting from operations or efficiencies in future years. SW agreed to come back to the Sub-Committee with more information about this.</p> <p>After some further discussion, Sub-Committee welcomed the Business Plan 2006-2016 as drafted and approved it.</p> <p>Recommendation to Board: That the Board approve the Business Plan 2006 - 2016.</p>	<p>SW</p> <p>SW</p> <p>Board</p>
<p>8</p>	<p>Inspection Update</p> <p>SW gave a brief Inspection Update including current rents performance and work being undertaken to establish a Value for Money culture.</p> <p>It was noted that the Audit Commission Inspectors would be observing the next meeting of the Sub-Committee.</p>	
<p>9</p>	<p>Schedule of Meetings to end of 2006</p> <p>A proposed schedule of meetings to the end of 2006 had been circulated with the papers for the meeting.</p> <p>RL commented that the proposed dates resulted in a very demanding schedule and did not really reflect the previous agreement for a fortnight's gap between Board and Sub-Committee meetings.</p> <p>It was agreed therefore that the dates would be revised and that the Resource & Governance Sub-Committee would meet on the following dates for 2006:</p>	

	<p>20 June 25 July 29 August 26 September 24 October 28 November 19 December (one week after the Board due to Christmas)</p>	
10	<p>Training Requirements</p> <p>No additional training requirements were noted from the discussions at the Sub-Committee although it was noted that some Value for Money training was being organised.</p>	
11	<p>Any Other Urgent Business</p> <p>There was no additional business for the Sub-Committee to consider.</p>	
12	<p>Date of next meeting</p> <p>The next meeting of the Sub-Committee would take place on Tuesday 20th June - 5.30 pm at Whitemoss Road.</p> <p>With thanks to everyone, the Chair closed the meeting at 6.40pm.</p>	