

# Northwards Housing – Resource & Audit Sub-Committee Meeting

Hexagon Tower  
Tuesday 22<sup>nd</sup> July 2008 at 5.30pm

Chair: Michelle Carmichael

**Present:** Michelle Carmichael (MC) Board Member  
Rachel Christie (RC) Board Member  
Mark Hackett (MH) Board Member  
Paul Seymour (MM) Board Member

**In Attendance:** Steve Wood (SW) Director of Business Services  
Steve Finegan (SF) Head of Business Improvement

ITEM	SUBJECT	ACTION
1	<b>Welcome and Introductions</b>  It was confirmed that the meeting was quorate.	
2	<b>Apologies for Absence</b>  Apologies for absence had been received from Martin McKeivitt.	
3	<b>Declaration of Interests / Confidential Matters / Equality &amp; Diversity Matters Arising</b>  There were no matters for noting under this item.  Equality and Diversity implications were noted on particular reports.	
4	<b>Minutes of Last Meeting</b>  The minutes from the last meeting held on 24 <sup>th</sup> June were approved and signed by the Chair.	
5	<b>Matters Arising</b>  There were no matters arising from the minutes not covered elsewhere on the agenda.	
6	<b>Rent Recovery Performance</b>  SF gave Sub-Committee a verbal update report on current issues around performance within Rent Recovery and some of the solutions that were being proposed.  The past year had been a difficult one for the team, particularly in relation to a new computer system and performance had never	

really recovered from that time. Whilst there were a number of solutions that were being looked at to improve performance, it was clear that turning things round was going to require hard work and dedication.

SF outlined Operation COL which was an initiative around collection and collaboration designed to focus the organisation as a whole on helping to improve performance around rent collection and drive the team forward. A detailed action plan had been prepared and the response from the team was generally positive. All the actions suggested reinforced the need for hard work.

There were other team issues that had arisen out of a review including training and these were now being dealt with. The key change within the team was a movement back to patch working focussing in on particular areas and giving individuals responsibility for their own performance. A review of procedures was being carried out with a view to reducing the number of letters and replacing this with telephone and face to face contact. An incentive scheme for the team around the number of weekly contacts was being implemented.

SF explained that the computer system still had a number of reporting issues and discussions were under way with the Council who are assisting with some of these.

It had been agreed as part of the plan to become much tougher in relation to collection policies. However Sub-Committee were assured that the processes included safe guards, particularly in relation to vulnerable and elderly tenants, and that pre-court protocols would be followed. The key was working together as an organisation ensuring that rent recovery was joined up with other sections. Examples where this had not taken place properly in the past were around abandoned properties and lettings and sign ups.

Sub-Committee asked a number of questions and discussed a number of the issues that had arisen from the report.

PS queried the current position in relation to Rights of Audience and SF explained the work that was being done with the Council to ensure that there was a joint approach on court processes and that the legal team were aware of the potential increase in the amount of cases that would be coming through to them. SW updated Sub-Committee on the current position in relation to the regulatory order that was still awaited from the Cabinet Office.

SF confirmed to Sub-Committee that Northwards did have the right to serve notice and evict in relation to introductory tenancies but it was not clear how often this power is actually used. The officers agreed to look at how many cases there had been and report back.

**SF**

RC asked about what happened to former tenant debts and debt

	<p>right off and SF explained the Council's responsibility for former tenant debt.</p> <p>MH asked about the number of abandonments which it was confirmed was not a significant issue, although SF explained that the 4 week notice period did have some effect on arrears. In the current economic climate, it was agreed that the quicker contact was made with tenants getting into debt problems, the better as it was easier to deal with cases before debt had risen.</p> <p>Sub-Committee concluded that they were supportive of the officers in the message that tenants needed to pay their rent with a balance for assistance that was made available by the organisation to people who are having difficulties. The expectation though was that people should be paying. SF confirmed that a large number of Notice Intended Seeking Possession (NISP) were due to be served in the next week.</p> <p>It was agreed that further reports would be made to Sub-Committee on a monthly basis to both monitor performance statistics and give a report on Operation COL. The officers also confirmed that in time a further report would come back with a plan for a step change for the future, but at the moment the priority was around short term impact.</p> <p><b>Sub-Committee noted the report.</b></p>	
7	<p><b>ICT Services Update</b></p> <p>SW presented an update report for ICT (Information Communications Technology). In relation to options for moving Northwards to it's own voice and data network. This followed on from the previous report in April.</p> <p>The proposed way forward was for an independent network from the Council which would give Northwards the freedom and flexibility to develop and adjust as well as set up services to suit it's own business requirements.</p> <p>There would be continuation of access to the shared Civica and Promaster applications via a dedicated link between two networks.</p> <p>In order to move the process forward it was proposed that the organisation should engage some technical consultants to help produce specification for tendering. Costs for the proposed scheme were, it was hoped, to be contained within the current budget for the Service Level Agreement.</p> <p>The final piece of work would be around the structure and staffing of the ICT Team move to the new arrangements which would require some consideration in due course.</p>	

	<p>MH asked about the current communication by e-mail and the efficiency at present of common address books. SW confirmed that he would enquire about exactly how this would work in the future but whilst it was agreed that it would be a shame to lose some of the joined up working and benefits of the present arrangements, some of the advantages of moving to our own network vastly outweighed these.</p> <p>Sub-Committee concluded that whilst they would normally expect to see efficiencies being part of a much bigger organisation it was clear that the present arrangement with the Council did not give Northwards the flexibility to shape it's own service priorities, particularly in a timely manner.</p> <p><b>Sub-Committee therefore approved the recommendations and asked for a further report to be brought back to Sub-Committee in October 2008 following completion of the work by the consultants.</b></p>	
<p><b>8</b></p>	<p><b>Financial Policies</b></p> <p>Sub-Committee carried out a review of the Financial Policies for the organisation as part of an annual process.</p> <p>a) <u>Financial Regulations</u></p> <p>A full review had been carried out of Financial Regulations and they were felt to be fit for purpose.</p> <p><b>Sub-Committee approved the Financial Regulations for 2008.</b></p> <p>b) <u>Procurement Strategy</u></p> <p>SW explained the major review that was being undertaken of the Procurement Strategy and the need to separate out the various parts of the procedures in order to make the document more user friendly.</p> <p>Sub-Committee discussed in brief the present arrangements around procurement and it was generally felt that an increase in the present limits might well be acceptable.</p> <p>SW reported that he would bring the revised strategy document back to Sub-Committee in September 2008.</p> <p><b>Sub-Committee noted the report.</b></p> <p>c) <u>Fraud Policy 2008</u></p> <p>The Fraud Policy had been reviewed and no changes were considered necessary.</p> <p><b>Sub-Committee approved the Fraud Policy for 2008.</b></p>	

	<p>d) <u>Treasury Policy and Procedures</u>  SW outlined the review that had been undertaken around the Treasury Policy and Procedures and confirmed to Sub-Committee that no money had been placed on deposit by the organisation during the year other than with the Co-operative Bank in the Public Sector Reserve Account.</p> <p><b>Sub-Committee approved the Treasury Policy and Procedures for 2008.</b></p> <p>e) <u>Value for Money Strategy</u></p> <p>A review of the Value for Money Strategy had been carried out to ensure that it was fit for purpose and ensure it properly reflected the position of the organisation for 2008. SW reported that the Value for Money Project Group had been reconstituted to help deliver the action plan which had been set out in the report for Sub-Committee to consider.</p> <p><b>Sub-Committee felt that the strategy was a comprehensive document and approved the Value for Money Strategy for 2008.</b></p> <p>f) <u>Annual Efficiency Statement</u></p> <p>SW provided an update for Sub-Committee on work that was being done in drafting an Annual Efficiency Statement for 2008.</p> <p>He briefly explained what the key efficiencies were likely to be for 2008/09, most of which had already been reflected within the budget.</p> <p>In relation to the backward look where it looked likely that the target of 4.1% efficiencies had been achieved the key components were the conversion of agency staff to fixed term contracts and the results of the voids challenge.</p> <p><b>Sub-Committee noted the updated with a view to receiving the document at their meeting in September.</b></p> <p>g) <u>Internal Controls Assurance Framework</u></p> <p>Sub-Committee reviewed the Internal Controls Assurance Framework for 2008 which had been updated and reflected that this was this was a really useful document to capture where assurance is provided to the Board from various sources.</p> <p><b>Sub-Committee approved the Framework for 2008.</b></p>	
9	<p><b>Service Level Agreements</b></p> <p>a) <u>Legal Services – Future Procurement</u></p>	

	<p>SW presented a report which had been prepared for Sub-Committee in relation to work that had taken place with a North West ALMO Group on shared services. To date, discussions had focussed on procuring a new legal services framework agreement for all the ALMOs to participate in but it was hoped that in time this could extend to other services which Northwards might see as more important for itself.</p> <p>SW explained the scope of the review and what it was hoped that the agreement would provide for the organisation. A specification for the work was being drawn up which would focus in on particular issues that a number of the ALMOs had with their current legal services arrangements including performance, expertise and price.</p> <p>In looking at the proposal, Sub-Committee confirmed that they felt that there were potentially considerable benefits in looking at shared services from a value for money perspective as well as from bringing in various pieces of expertise. It was also agreed that the route of establishing a framework agreement was the best approach in terms of allowing particular ALMOs to have their own mini competitions within the framework to decide who was best to provide a particular service.</p> <p>After some discussions, <b>Sub-Committee noted the progress made</b> in developing a shared services framework agreement for the provision of legal services <b>and approved the proposals outlined in the report</b> for the shared services group to commence the procurement of specified legal advice.</p> <p>b) <u>General Update</u></p> <p>SW advised Sub-Committee that he was hoping to bring an update report on all the Service Level Agreements to the September Sub-Committee meeting.</p>	<b>SW</b>
<b>10</b>	<p><b>Monthly Accounts June 2008</b></p> <p>SW presented the accounts for the third month of the new financial year for June 2008.</p> <p>He talked Sub-Committee through the commentary on the accounts, highlighting some of the key variances both positive and negative against the budget.</p> <p>Once again, the key area for focussing attention was that of repairs where budget profiling work was still required to finalise an accurate picture of performance and where some key costs were beginning to drift over budget.</p> <p>In relation to the detail, MH asked about the water costs under premises which were considerably over budget and SW agreed</p>	

	<p>to come back to Sub-Committee at the next meeting with an explanation.</p> <p>After a few other questions, Sub-Committee confirmed that they were happy to note the accounts.</p>	<b>SW</b>
<b>11</b>	<p><b>Inspection Action Plan</b></p> <p>SW presented an update report on the Inspection Action Plan items that related to the remit of the Sub-Committee.</p> <p>It was noted that performance had increased by 10% to 85% completion and SW reported that overdue matters now had detailed plans behind them with a view to obtaining full completion.</p> <p><b>Sub-Committee noted the report.</b></p>	
<b>12</b>	<p><b>Fraud Register</b></p> <p>There was no items which had been added to the register since the last meeting.</p> <p><b>Sub-Committee noted the report.</b></p>	
<b>13</b>	<p><b>Any Other Business</b></p> <p>There was no further business for Sub-Committee to consider at the meeting.</p>	
<b>14</b>	<p><b>Date of next meeting</b></p> <p>The next meeting would be on Tuesday 23<sup>rd</sup> September at 5.30pm at Hexagon Tower. Rachel Christie's apologies were noted for this meeting.</p> <p>With thanks to everyone, the Chair closed the meeting at 7.10pm</p>	