

Company Number 05564649  
A Company Limited by Guarantee  
Registered in England

**St. Leger Homes of Doncaster Limited**

**BOARD MEETING**

**4 October 2006**

**Present**

Mr Sidney Hall, Mr James Parkin, Ms Lyn Ralph (Vice Chair), Mr Charles Wyatt, Councillor Margaret Ward, Councillor George Beck, Councillor Joe Blackham (Vice Chair), Councillor John Mills, Mr Peter Chapman (Chair), Mrs Kate Radovanovic, Ms Gill Taylor, Mr John Young, Ms Val Hartley

**In attendance**

Mr Martin Musgrave (Chief Executive), Mr Paul Hopkinson, Mr Trevor Lincoln, Ms Linda Milan, Ms Ramona Youhill, Mr Dave Abbott, Ms Isha Lohia (SLHD Board Administrator)

**Also in Attendance**

Mrs. Jane Miller (DMBC), Ms Carol Johnson (Pathfinder Research Officer)

<b>1. Apologies and Quorum</b>	<b>ACTION</b>
1.1 Councillor Paul Coddington, Mr Paul Hart (DMBC), Ms Judith Jones	
1.2 It was noted that a quorum was present. Mr Peter Chapman chaired the meeting.	
<b>2. Declarations of Interest by the Board</b>	
2.1 Councillor Mrs Margaret Ward & Councillor John Mills declared interest in agenda item 5 by virtue of their wards (Edlington and Denaby Main respectively) falling under the pathfinder project. Mrs Lyn Ralph declared interest in the same agenda item by virtue of being a resident of Denaby Main area and did not take part in the discussion on this item.	
<b>3. Minutes of meeting held on 02 August 2006 and matters arising</b>	
3.1 The minutes of the meeting held on 2 August 2006 were agreed as a true and accurate record.	

	<b>ACTION</b>
<p><b>3.2 Matters Arising</b></p>	
<p>3.2.1 <b>Appointment of new Independent Members on the Board:</b> The CEO (Mr Martin Musgrave) confirmed that Ms Brendalyn Langshaw is no longer a member of the Board. The vacant Independent member positions have been advertised and the recruitment process is ongoing.</p>	
<p>3.2.2 <b>Report on long-term voids:</b> The Chair informed the Board that an interim report on long-term voids had been tabled at the Finance &amp; Performance Committee meeting.</p>	
<p>3.2.3 <b>Health and Safety at Conisbrough depot:</b> The CEO informed the Board that the work we needed to do at the Conisbrough depot to rectify itemised health and safety issues had been completed and hence the Formal Improvement Notice had been withdrawn.</p>	
<p><b>4. Chief Executive's Report</b></p>	
<p>4.1 A written report was provided to the Board. The CEO elaborated on the following points:</p>	
<p>4.2 <b>Appointment of Human Relations Manager:</b> The CEO informed the Board that Ms Linda Howe had taken up her new post as the HR Manager at St Leger Court from 1<sup>st</sup> October 2006 and that her appointment marked the beginning of the first phase of providing all H.R. related activities in-house.</p>	
<p>4.3 <b>Christmas Party:</b> The CEO informed the Board Members about a Staff Christmas Party that had been planned for the 15<sup>th</sup> December and invited Members to attend the same.</p>	
<p><b>5 Performance Monitoring Information for April, May &amp; June 2006</b></p>	
<p>5.1 The purpose of this report was to present to the Board a summary of the key performance issues for the first quarter of 2006.</p>	
<p>5.2 Trevor Lincoln presented the reported covering issues on Customer Satisfaction, Complaints, Rent, Anti-social Behaviour, Non-lettable voids, Repairs, Re-let times and Sickness.</p>	

5.3	<b>Customer Satisfaction:</b> Trevor Lincoln informed the Board about the procurement of new software that would help in a speedy and comprehensive analysis of information on customer satisfaction.	<b>ACTION</b>
5.3.1	Board Members questioned the source of the data re Service Satisfaction. Trevor Lincoln answered that the figures were derived from individual surveys undertaken in relation to particular aspects of the service. He informed the Board that following the completion of the on-going borough-wide STATUS survey, a report would be presented to the Board in the December meeting.	TL
5.4	<b>Complaints:</b> The increasing number of complaints being recorded on the CC online system can be seen as a positive step in that it is leading to more effective process of complaints recognition and recording.	
5.4.1	The Chair expressed concern over the reporting of complaints. The CEO informed the Board that he and the other directors were now receiving a Complaints Handling Report every week and could confirm that 90% of the complaints were now being dealt with in accordance to our service standards.	
5.5	<b>Non-lettable Voids:</b> Considerable work had been done on voids management and an updated report on the same had been presented at the recent Finance and Performance Committee Meeting. He reported that steady progress was being made in reducing the void property turnaround time and that we are committed to the achievement of our incremental targets and to be within top quartile performance.	
5.6	<b>Sickness:</b> Training had been provided to the Managers on “Managing Attendance” and Trevor Lincoln expected for this to result in improved performance. Linda Howe, who had joined the company as HR Manager, had been tasked with bringing down the current sickness levels. Improved absence management was a priority.	
5.6.1	The Chair commented that he was happy to see the way staff members identified areas of concern and worked to ensure that appropriate plans were in place to address concerns, however he would like them to include identified targets for improvement.	

<b>5.7</b>	<b>The Board approved the report.</b>	<b>ACTION</b>
<b>6</b>	<b>Presentation on the Pathfinder Project</b>	
6.1	Ms Carol Johnson from the Pathfinder Team had been invited to the meeting to give a presentation on the Housing Market Renewal (HMR) Pathfinder programme.	
6.2	The presentation covered the purpose of the Pathfinder programme, the strategic linkages and priorities, what had been achieved so far, the areas being considered for change, HMR Funding, Outputs, Developers Panel, Governance and approval process and the Future programme for 2008-2010.	
6.3	The programme had started in 2004 and its main purpose is to identify areas where regeneration will improve sustainability, fulfil housing needs and aspirations, said Carol Johnson in her presentation. She referred to other projects including the Green Corridor scheme, which are also aimed at improvements within different geographic areas.	
6.4	Dearne Valley has been identified as a priority area within the Regional Economic Strategy. Tackling deprivation and creating sustainable communities are part of DMBC's transformational goals.	
6.5	The presentation explained the HMR Programme and explained the progress of the current projects, including the consultation and master-planning processes.	
6.6	The 2006-2008 programme includes areas in Mexborough, Denaby Main and Edlington.	
6.7	Newsletters are being sent out to the residents of those areas that come under the pathfinder programme, in order to keep them updated about the work.	
6.8	The CEO talked about the waiting list for social housing and the increased pressures which will result from any reduction in the number of council homes available.	
	Within the company's mid and long term business plan is the possibility of expanding the business into	

managing properties for other agents. This may include Pathfinder properties.

**ACTION**

Ms Johnson said that a five-year plan had already been developed and the partners finalised for the period. Other opportunities may be available in the future.

- 6.9 The Chair said the presentation had helped the Board Members in understanding the various aspects of the pathfinder programme and thanked Ms Carol Johnson for her presentation. Ms Carol Johnson left the meeting room after the discussion.

## **7 Repairs and Maintenance Market Testing Options Appraisal**

- 7.1 Mr Paul Hopkinson gave a presentation. The purpose of the presentation and supporting report was to inform the Board on the progress that had been made in the development of a modern procurement strategy for SLHD's Repairs and Maintenance Service and to consider the options available to ensure customers receive best value. This followed from previous decisions of the Board re adoption of a Procurement Strategy.

- 7.2 Mr Paul Hopkinson illustrated to the Members that the repair and maintenance services consumes a significant proportion of the revenue budget, costing approximately £13 million a year.

It is therefore essential for us to demonstrate that we are providing excellent services to our customers while also achieving best value. This will be an essential element in the company achieving a minimum 2 star rating in our forthcoming audit commission inspection.

- 7.3 The mock inspection undertaken in February 2006 evaluated this element of our service as 'Poor to Fair'.

- 7.4 A realignment of human resources within the Property services development had led to significant improvements in performance but further work was required before we achieve optimum efficiency.

Current comparisons with similar organisations

	using the Checkmate System place SLH performance "below average".	<b>ACTION</b>
7.5	The Audit Commission expect the organisation to have robust plans to test our current method of providing this service "in-house" with other options to ensure that customers receive the best service possible with the available resources.	
7.6	The options to be considered include: full outsourced service, in-house provision, a mixed solution or a market test solution following the strengthening of Building Services. There are advantages and disadvantages with each choice.	
7.7	Six leading building contractors, who specialise in the delivery of repairs and maintenance, have been approached to test their level of interest if the company should decide to out source this service. Although they responded positively much will depend on the details of the contract i.e. the Terms and Conditions and duration etc.	
7.8	It is unlikely that SLH has the in-house expertise required to undertake the options appraisal, to reduce the associated business risks.  Consideration should also be given to appoint a further consultant to work within the Building Services Directorate to enable it to develop its organisational structure and processes to enable them to maximise the efficiency of the service.  It is estimated that the total cost for external support will be £500k spread over 2006/7 and 2007/8.	
7.9	Paul Hopkinson requested the Board to approve the appointment of two sets of consultants to aid the efficiency drive in Building Services and in preparation of the contract documentation for the later market testing option.	
7.10	The Chair enquired about the type of contracts that were discussed with the contractors during the consultation. Mr Paul Hopkinson replied that although this had included Joint Ventures, Consortia etc the critical factor appeared to be the length of the contract. Replying to the Chair's question about awarding contracts based on	

	geographic areas, Mr Hopkinson said it would lead to duplication of resources and thus increase costs.	<b>ACTION</b>
7.11	Councillor Mrs Margaret Ward said it was a big decision, which could have political implications, and thus suggested consulting the Mayor and officials at DMBC before making a decision. She said such proposals might require the approval of the DMBC cabinet. Mrs Jane Miller also suggested that DMBC officials should be consulted. The CEO and Mr Paul Hopkinson agreed that it was indeed a major decision for the organisation to take and noted that the subject had previously been discussed at the May and June Board meetings, and at subsequent DMBC/SLHD Joint Liaison meetings whilst John Brayshaw (SLHD Procurement Manager) has formally discussed the issue with DMBC Corporate Procurement and Legal teams.	
7.12	A discussion took place regarding which organisation would be responsible for the contract. Mr Trevor Lincoln agreed to conduct an investigation of the constitutional documents and report to the Board.  Mrs Jane Miller said that there seemed to be confusion about what the Board was being asked to decide and also on their level of authority as it was suggested that the Council may possess the power of veto.  Mrs Kate Radovanovic questioned the purpose of appointing Board Members to manage the company if they did not have the authority to make decisions.	TL
7.13	The Chair suggested considering the option of not tendering any service and instead bringing in some external assistance to improve the performance of Building Services. He also advised the Board to approve the recommendation of appointing specialist consultants as suggested in the report and the presentation.	
7.14	Mr John Young and some other Board Members said that they had not been able to read the report in detail and hence felt uncomfortable in making such an important decision. Mrs Lyn Ralph suggested calling a special Board Meeting in a fortnight to discuss the proposal further. Members	

	agreed to the suggestion. Mr Paul Hopkinson suggested that the purpose of the Special Board Meeting should be “to agree which of the proposed options the Members were willing to support”.	<b>ACTION</b>
7.15	The Chair advised the CEO to approach the DMBC officials and inform them about the recommendations of the proposal, especially the fact that Marketing Testing appeared to be in the best interest of the Company.	MM
7.16	Following Ms Gill Taylor’s request, the CEO said a comprehensive briefing pack would be sent out to all the Board Members before the Special Board Meeting in order to help them better understand the option and proposals.	MM/PH
7.17	<b>The Board agreed to call a special Board Meeting within 2 weeks to discuss this proposal and so decision on the report was deferred until then.</b>	
8	Due to paucity of time, the Chair suggested that the Board do not discuss Agenda Items 8 (Housing Capital Programme Monitoring Report) and 9 (SLHD Revenue Monitoring Statement) but could speak to Mr Trevor Lincoln later if they had any questions on the reports.	
<b>9</b>	<b>Efficiency Strategy</b>	
9.1	Ms Ramona Youhill presented this report. The purpose of the report was to advise the Board Members about SLHD’s Efficiency Strategy.	
9.2	Ms Ramona Youhill said that our efficiency strategy is not only about budget savings but is also about sound investment and effective management of resources leading to improved performance for the same expenditure. Although this is not a mandatory requirement for SLH our performance will form part of the DMBC Efficiency Statement. During 2006/07 SLHD would work to achieve an annual 2.5% efficiency gain.	
9.3	Board Members will now receive quarterly efficiency reports on efficiency gains and how efficiency savings are being reinvested.	
9.4	Referring to the “Current Efficiency Savings” table	

**ACTION**

on page 11 of the report, Councillor John Mills said that it was not clear which of the savings were cashable and which were non-cashable. He also queried how the figures were compiled. The CEO answered that the savings had already been achieved as a result of negotiations with our suppliers. He said we are reviewing more Service Level Agreements in order to achieve our efficiency target.

9.5 Mrs Lyn Ralph congratulated the team for the savings achieved so far. The Chair enquired if we have included the provision of in-house surveys for the Decent Homes programme. Ms Ramona Youhill answered in the affirmative.

9.6 The Chair asked what was to happen to the savings made. Mr Trevor Lincoln said that they were redirected into frontline services. Mrs Jane Miller suggested that the year mentioned under the “Key achievements and outcomes to date”, under “2006/07” should be read “2005/06”.

**9.7 The Board noted the contents of the report.**

**10 SLHD Business Plan**

10.1 Mr Trevor Lincoln presented SLHD’s Business Plan and the purpose was to advise the Board Members on how we will manage our services, our business and the resources necessary to deliver our objectives.

10.2 He said the plan had two significant elements. He referred to the revised strategic objectives set out on page 6 of the Business Plan and suggested that the Board adopt them. The second was the section on Financial Forecasts on page 29 of the report indicating the shared responsibilities between DMBC and SLHD for managing revenue resources. He said that SLHD’s management fee is currently almost exclusively drawn from the Housing Revenue Account, which is a long-term risk for the business. Referring to Table 10.2 of the Business Plan on page 30, he highlighted the potential cumulative savings required in the next 4 -5 years.

10.3 Mr Trevor Lincoln referred to point 10.3.4 on page 31 of the Business Plan which lists business development proposals for the future to ensure

<p>sustainability of the Company. Talking about the option of generating income from other sources through diversification, he reiterated what the CEO proposed regarding managing properties for the Pathfinder Project and to act as managing agent for the housing stock of other concerns. He emphasised that it was important to chart out a plan for the company's operations and future post 2010.</p>	<p><b>ACTION</b></p>
<p>10.4 Mr Trevor Lincoln said that a Headline delivery plan is being produced integrating information from the work plans of all service teams.</p>	
<p>10.5 Mr Trevor Lincoln further said that the figures in the Business Plan could change in the future and that Members will be informed if there is a significant change. Mrs Jane Miller commented that the Borough vision should be updated in the Business Plan.</p>	
<p>10.6 The Chair said that the Board would like to see how he proposed to bridge the gap between the income and expenses. Mr Trevor Lincoln said that apart from the other options proposed in the efficiency strategy and the business plan, SLHD would have to negotiate its management fees with the DMBC. Future papers would be produced on this.</p>	<p>TL</p>
<p><b>10.7 The Board approved the Business Plan.</b></p>	
<p><b>11 Broadband Allowance for Board Members</b></p>	
<p>11.1 The purpose of this report was to consider the most effective means of providing the Board Members with reports to be considered at Board Meetings. The CEO presented the report.</p>	
<p>11.2 Giving details of the report, the CEO said that by November 2006, SLHD's website will have an area which could be used by the Board Members to access documents such as Board Meeting Papers. And for the purpose they would all require to have access to the internet. He proposed that the Board Members who will need to take a new internet connection would be reimbursed for the expenses incurred. He also offered sending out an advice note on how to set up the connection and access the area.</p>	
<p><b>11.3 The Board approved the proposal.</b></p>	

12	Due to paucity of time, it was decided that item 13 of the agenda - Election of Chair and Vice Chairs would be considered at the next Board Meeting.	<b>ACTION</b>
<b>13</b>	<b>Minutes from Area Boards and Committees:</b>	
<b>13.1</b>	<b>The Board approved the minutes.</b>	
<b>14</b>	<b>Any Other Business</b>	
14.1	Mrs Lyn Ralph informed the Board about the request that had been received to sponsor 'The Tickhill Football Team for under 15's', this season. The CEO said that the Board had earlier agreed to the Sponsorship Policy of SLHD and had given the authority to the Executive team to take decisions regarding such sponsorships. He said he would consider sponsoring the team.	
<b>14.1.1</b>	<b>The Board agreed that the decision regarding the possible sponsorship of this team would remain with the CEO.</b>	MM
14.2	Before the meeting ended, Mr Paul Hopkinson said he would be happy to discuss any questions Board Members may have regarding the Market Testing proposal before the Special Board Meeting.	
	The meeting ended at 9:10 pm	

Copies of the presentations given are included as appendix to the minutes.