

Company Number 05564649
A Company Limited by Guarantee
Registered in England

St. Leger Homes of Doncaster Limited

SPECIAL BOARD MEETING

18 October 2006

Present

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

In attendance

Mr Martin Musgrave (Chief Executive), Mr Paul Hopkinson, Mr Trevor Lincoln, Ms Judith Jones, Ms Linda Milan, Mr Paul Lightfoot, Miss Michelle S Timms, Ms A Tutgun

Also in Attendance

Mrs. Jane Miller (DMBC),
Ms Janice Dean

1. Apologies and Quorum	ACTION
1.1 Councillor George Beck, Councillor Paul Coddington, Ms G Taylor, Mr Paul Hart (DMBC)	
1.2 It was noted that a quorum was present. Mr Peter Chapman chaired the meeting.	
2. Declarations of Interest by the Board	
2.1 Mrs L Ralph declared that her daughter Sharon Adam was the Assistant Director of Property Services. The Chair ruled that this was a prejudicial interest and therefore Mrs Ralph was asked to leave the meeting.	
2.2 Mrs K Radovanovic asked Chair's permission to include an additional item onto the agenda following the conclusion of interviews for the vacant independent Board Members.	
2.3 The Chair accepted the proposal and as Mr Young had been a candidate in the interviews he was asked to leave the meeting while this item was	

discussed.

- 2.4 Kate Radovanovic explained to the Board that three candidates had been short-listed and that the panel had unanimously agreed that Mr Young should be reappointed and Mr Michael Hardy, a current Area Board Member who had a lot of recent business experience should also be invited to become a member of the Main Board.
- 2.5 The Board agreed to these proposals and requested that a letter of recommendation be sent to DMBC** LM
- 2.6 Kate Radovanovic also proposed that the third candidate Dr R Allen be asked to fill the subsequent vacancy on the East Area Board.
- 2.7 The Board agreed to this proposal with the proviso that the company constitution be checked to ensure that there were no restrictions to prevent this.** LM
- 2.8 John Young returned to the meeting.
- 3. Repairs and Maintenance Market Testing Options Appraisal**
- 3.1 The Chair introduced the item and asked the CEO to update the meeting on any progress from their last meeting on 04 October 2006.
- 3.2 The CEO informed the meeting that he had received a letter from the Council's Acting Managing Director expressing concerns over the proposals. The CEO confirmed that there had never been any intention to move forward without consulting the Council but emphasised that progress on this issue was an essential element in preparing for the Audit Commission inspection.
- 3.3 Jayne Miller said that the needs of the service were recognised by the Council but felt that the process to date was flawed.
- 3.4 The Council would expect a full dialog of consultation and pointed out that proposed contracts had been estimated to run for 7-10 years, which was beyond the current life of SLHD. She indicated that the decision may be viewed as being

a DMBC Key Decision and would need input from the unions regarding any TUPE implications.

- 3.5 The Chair said this was to be seen as the start of a process and suggested that the meeting consider four recommendations that were circulated to the meeting including the proposal that resources be deployed to support and improve the efficiency of the In-house service.
- 3.6 Concerns were expressed over the resources involved but the CEO said that on this occasion to employ external and independent expertise would be advantageous. He continues to have regular meetings with the trade unions and felt that this would be accepted as a further step to improve services, which if the final decision were to Market Test the service, would improve the quality of an in-house bid.
- 3.7 John Young suggested that formal recognition of staff and union consultations should be started.
- 3.8 J Mills commented that the whole process must be rigorous to comply with the Audit Commissions requirements and the CEO agreed saying that the company has to show that it will take robust actions, which include continuous risk analysis and dialogue with the Council. The risks and implications of each option require careful consideration.
- 3.9 Paul Hopkinson said the proposed consultancy costs had to be seen in relation to the annual spend of £10 million and the possible large efficiency saving that could result.
- 3.10 Janice Dean, of the Housing Consultancy Partnership reminded the Board that in the mock inspection they had rated this element of the service as poor/fair and that progress must be made on these issues if this score was to improve in the forthcoming inspection. This would also demonstrate good governance within the company and the relationship between SLHD and DMBC.
- 3.11 Margaret Ward said that she felt that the proposals were positive. Her concerns had been that SLHD had to work with the Council and felt that it may be beneficial to have the details of the Management Agreement explained to the Board

- 3.12 Trevor Lincoln confirmed the relevant context of the three main Governance documents, the Articles of Association, the Memorandum of Association and the Management Agreement.

These documents set out the clear powers to the Board to manage the affairs of SLHD, including the ability to contract with third parties. The documents also make it clear that prior consent of the Council would be needed for a decision of this significance. The current debate was part of the Board agreeing a proposal for discussions with the Council.

- 3.13 The Chair said that as there were only 5 months to inspection and only 3 before the pre-inspection documentation was finalised, timescales were pressuring.

- 3.14 A discussion took place in which there was general agreement that everyone was looking for efficiency improvement while working with the Council.

3.15 The Board agreed:

- i the appointment of a specialist consultant to support the Director of Property Services in the development of a Modern, Value-driven Building Services Team.
- ii the appointment of a specialist consultant(s), in modern procurement, to advise the Board and Council on the options for establishing a value for money market test of the Repairs and Maintenance Service including a full risk assessment of the options available.
- iii to instruct the Executive Team to start an immediate dialogue with DMBC staff, unions and other stakeholders regarding the Market Testing option for the Repairs and Maintenance Service
- iv Request regular progress reports from the Director of Property Services.

Meeting Closed at 7.00 pm