



BELLE ISLE TENANT MANAGEMENT ORGANISATION

CONFERENCE CALL BOARD MEETING

AGENDA AND PAPERS

THURSDAY 28th JANUARY 2021 (6pm)

A conference call meeting will take place via Skype and phone call. For those attending via Skype an invitation will be sent. For those attending via phone call BITMO will ring members just prior to the meeting.

Note:

This is the agenda and papers for the Full Board of
Belle Isle Tenant Management Organisation (BITMO)

For each item on the agenda there is narrative describing any issues and details of any recommendations requiring Board approval, where appropriate there may be separate reports attached as an appendix

Part A of the Board meeting and related papers are normally open to the public

Part B is reserved for matters confidential to the Board

CONFERENCE CALL BOARD MEETING

Board meeting to be held on
Thursday 28th January 2021
via Skype/phone

***WOULD BOARD MEMBERS PLEASE PASS ANY ITEMS FOR 'ANY OTHER BUSINESS' TO THE CHAIR
BEFORE THE DAY OF THE MEETING***

A conference call meeting of the Board will be held at via Skype and Phone.

Part A – Public Agenda Items

- Apologies
 - Questions from the public (via phone or email beforehand)
 - Issues raised by Board members for the agenda
1. Minutes and Matters Arising - *Page 5*
 - Board Minutes – 26th November 2020 (*Appendix 1 – Page 27*)
 2. Operational Report (Inc the Social Housing White Paper update) - *Page 6 & Appendix 2 (Page 37)*
 3. Scheduled report updates
 - Financial reports - *Page 15*
 - Current year – Revenue and Capital
 - Budgets 2021/22 – Revenue and Capital
 - Former tenants arrears write off request – *Page 25 & Appendix 3 (Page 41)*
 - Report on the Anti-Social Behaviour audit from LCC (*separately attached*) – *Page 25*
 4. Any Other Business – *Page 25*

Part B – Confidential items

1. Minutes of the meeting of 26th November (separate paper)
2. Early Leavers Initiative 2021 - update

Part A – Public Agenda Items

- **Apologies:** To be reported at the meeting.
- **Questions from the Public:** All BITMO Board meetings are normally open to the public, but this is not in effect for the current meeting, due to Covid19
- **Issues raised by Board members:** If Board members have issues that they wish to raise that are not included on the agenda these should be discussed with the Chair **before** the meeting starts.

1. Minutes and Matters Arising

In this part of the meeting the Board will consider the notes arising from the Board meeting held on 26th November 2020. The table below summarises some of the matters arising from these meetings and other issues that have arisen since.

Board meeting 26th November 2020

Item	Update
Business Continuity re Covid-19	New national restrictions in place. Action: Maintenance of prior service delivery levels - detailed in CEO Report.
Green Agenda	Sub-Committee meeting to be arranged February 2021 (IC, SG, PT)
Tenant well-being and debt support	Initial meeting held between staff and SG member who requested a meeting. Further meetings to be held.
Contractor procurement	Main contractor procurement proceeding on schedule. Gas contractor procurement initiated.
Risk Register Review	To be subject to a separate meeting of those Board members who wish to attend.
Board recruitment	No response to adverts placed to encourage co-option applicants with finance and HR expertise. Further adverts placed for tenant members.

Recommendation

The Board are requested to NOTE the matters arising updates

2. CEO Operational Report

Introduction

The purpose of this report is to provide a high level update on BITMO performance and activity in the last quarter. It sets out the business continuity arrangements that are in place in the last two weeks in response to the current Corona virus situation, Government regulations and its impact on service delivery. It sets out the work we are doing to remobilise our full service as and when this becomes possible. As you would expect we are keeping a close eye on how we continue to provide services in this changing landscape. Our priority is to protect staff while maintaining service and performance levels.

Board are requested to:

1. Discuss and comment on the contents of the report.
2. Approve the implementation of the Kickstart programme to support our community in preparing for employment
3. Agree to hold an extra –ordinary general meeting to facilitate having a quorate Board.
4. Approve the plans to strengthen adherence to the principles of the Government's White Paper: Charter for Social Housing Tenants

Financial Pressures

As previously discussed, LCC have advised that the management fee will be reduced by £95k. Our total draft budget deficit is £100k before corrective action.

A Sub Group of the Board has met on 3 occasions with the Leadership Team to examine BITMOs operating costs and identify areas where savings can be made. Savings of £45k+ have been identified (as reported in the finance update). The majority of savings have been found from efficiencies with minimal impact on service delivery.

There is still a deficit of up to £55k. Options to close this deficit include:

- Income diversification
- Offering ELI
- Voluntary measures
- Recruitment freeze
- Using reserves

(i) Income Diversification

From time to time we are able to benefit from resources made available by partners, which we pass to the Community. We have had some very limited success in bidding for funds to support the community activities we run. There are three key barriers to fundraising for BITMO:

- Reserves
- Organisational form
- Community Engagement

Holding in excess of £1m in reserves takes us outside the funding criteria for most charitable funding streams. Not being registered with the Charities Commission also limits our eligibility for funding. Most funders require clear evidence of deep community leadership in the development of services over and above being a tenant led organisation. We are not currently able to demonstrate this. An engagement strategy is currently being developed.

If we establish a charitable organisation we would be able to apply for additional funds from the Lottery and other charitable foundations to support the work it does. The Employment Support Offer, Digital Inclusion and focus on Health Inequalities lend themselves very well to this sort of funding. We would be able to match fund from within existing budgets and utilise staffing resource.

Creation of a Charitable Incorporated Organisation with a particular focus on employment support would create the opportunity for new community engagement and capacity building that will support the aims of BITMO and have an exclusively charitable purpose.

We anticipate being able to raise approximately £50k per year, however this funding could not be guaranteed. There are some set up costs associated with this to create the organisation. Additionally BITMO may need to provide seed funding from reserves.

Further development of the groups that operate within the GATE that provide services for the benefit of the community provides another opportunity to raise funds from philanthropic sources, which would support the sustainability of the groups themselves. .

We run a programme of social activities for residents of Belle Isle throughout the year. We do not charge for these activities. We anticipate that introducing a nominal charge and widening access to the events has the potential to represent a modest income stream. Our twice weekly food offering is currently free of charge. We are proposing to introduce a nominal charge for this and to promote it across the estate.

(ii) Early Leavers Initiative

We have offered the ELI scheme and have received some expressions of interest. Financial information has not been provided by the pension fund at the time of writing. When it is, and if the individuals concerned wish to proceed we will report further to Board with an analysis of the cost benefits of those requests.

(iii) Voluntary Measures

Staff have suggested a range of voluntary measures to be considered including a pay cut, and reduced hours. The Sub Group of the Board do not consider such measures appropriate.

(iv) Recruitment Freeze

It is proposed that in the event that vacancies occur each one will be subject to an option appraisal and approval by the Chairs Group.

(v) Use of Reserves

The organisation holds £1.2m reserves on deposit. Reserves have accrued as a result of savings in repairs and maintenance expenditure over a number of years. This money is provided by LCC exclusively for use in property maintenance and improvement. We are obliged to retain £750k.

There may be a need to retain some £200k on estate repair works. The Board may wish to use the balance of £250k to balance the budget. However Board should be aware that the primary purpose of this asset is the maintenance of properties. LCC have expressed concern at the idea that the reserves be used for any purpose other than this or the direct benefit of the community.

Taking these factors into account the finance sub-committee of the Board have proposed that the budget shortfall be funded out of reserves for twelve months.

Business Continuity

We are supporting staff to stay at home, attend work only when it is necessary to maintain business continuity, and when in work to comply with risk assessments and agreed working practices, maintaining social distance and wearing PPE.

The actions we have taken are:

In general, as many people as possible have been working from home from Thursday 19th March 2020, and this situation continues. We have briefed all staff on what is expected of them and how they will be supported. A Management rota is in place so that we can maintain business processes dependent upon post, printing and key management.

We have very few requests for face to face service. When we do, and it is considered necessary we make arrangements to meet in a COVID secure way.

There is currently no change to provision of our repairs service. Details of any ill health or self-isolation will be taken at the point the repair is requested and details will be passed on to the contractor.

We have made no changes to our gas safety arrangements. Inspections and servicing will take place as usual. The enforcement process to be followed as normal unless advised otherwise advised by Government body. Visits will be pre-screened by phone.

Remobilisation

We are working towards a remobilisation of services in June. That timeframe will be dependent of course upon the rollout of the vaccine, and the status of the pandemic.

The GATE: We are currently consulting with our community about their needs, and how they will access the food offering, digital inclusion, and employment support. We are asking what other support and priorities the communities want us to facilitate.

We are discussing with partners how they will resume their services. For example CAB, Scope and Leeds City College which may initially be offered on line only. .

Lettings – No change to existing arrangements. Viewings and sign ups continue with due caution in arranging visits with a phone script to ascertain any self-isolation.

Rents – A telephone, Voicescape and letter based service is being maintained. Court and eviction action is again suspended during this time.

ASB and tenancy support – essential visits only – a telephone based service. Staff are partially redeployed to take on a front line customer service role

AHVs – telephone contact only.

Warden services: - This is a telephone based service; other than in very limited circumstances where customers have requested a visit. Visits are done in the main on the doorstep. Sheltered social activities are again cancelled.

Caretakers: will only be carrying out external repairs and grounds maintenance work and void clearances.

This is a very difficult time for everyone and we are very aware of our role at the frontline of supporting vulnerable people. The management team are reviewing the situation continuously and are fully committed to maintaining services and looking after our colleagues.

Kickstart

At a time when people are losing jobs, and competition for jobs is high, the role of BITMO in supporting people into work is even more important.

Kickstart is a Government funded initiative to support young people aged 16 to 24 who are not in work to develop work readiness through a combination of training, support and work experience. As part of our employment support offer we have registered with the DWP via LCC as a Gateway provider to offer 3 work experience placements for a period of 6 months. The placements will be managed by DWP through a mentor and will be supported at BITMO through a line manager, a placement coordinator and the HR Manager to ensure that the programme of support offered is high quality.

The cost of the scheme is fully funded through DWP, with a top up to cover the cost of administration.

Board Membership

We currently have four vacancies for tenant Board members, and two vacancies for co-opted members. We have publicised opportunities for membership via Facebook and the website but have not yet received any expressions of interest. We will continue to advertise the vacancies via social media, Bits n Pieces and will advertise via traditional “paid for” media also.

Should we be successful in attracting a level of interest in the roles it will be necessary to hold an extra-ordinary AGM to agree and ratify membership.

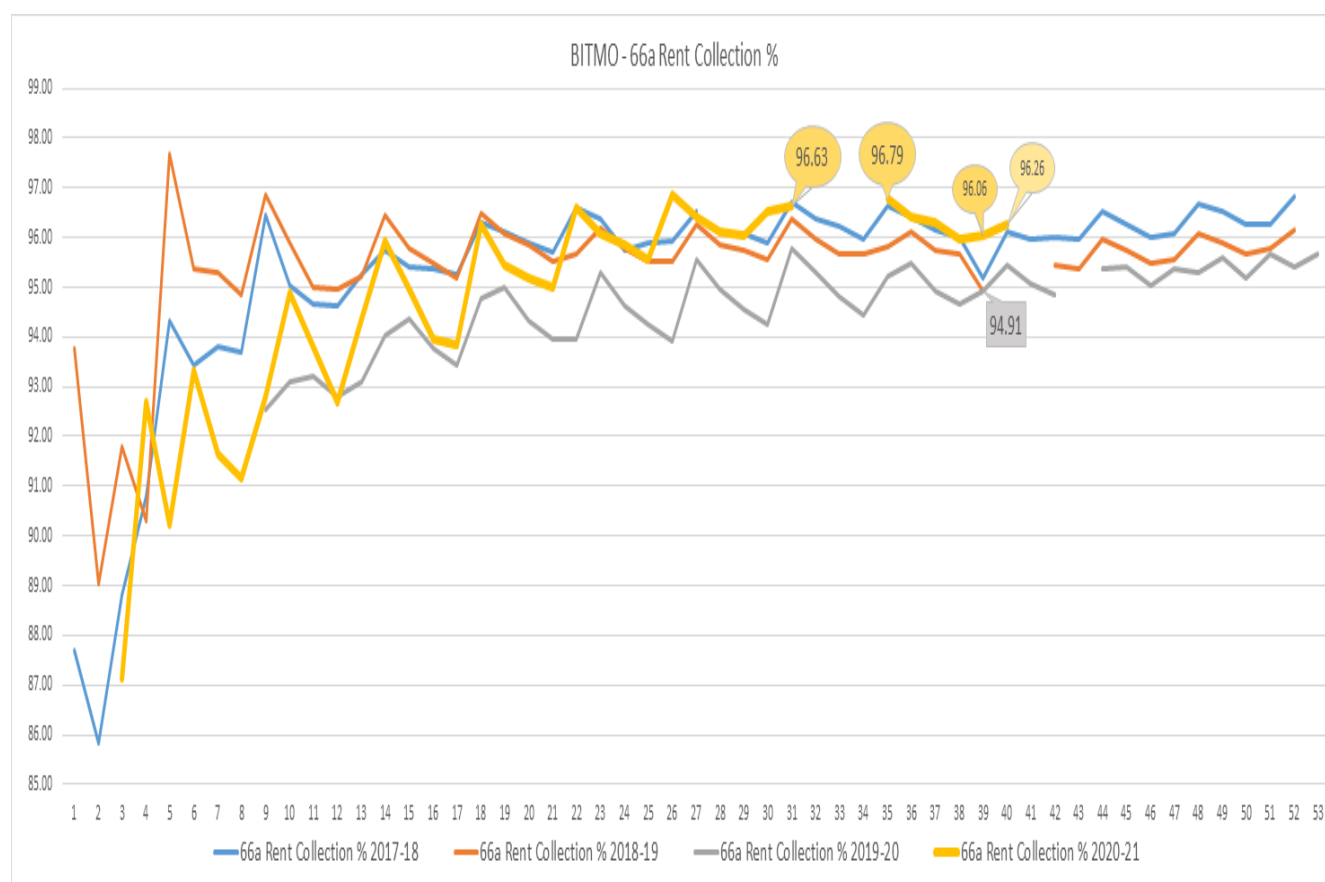
Performance

High level performance data across a limited number of business critical KPIs is presented per Appendix 2.

Areas of strength

Financial control and the Repairs and maintenance service remain areas of strength. We achieve high levels of repairs carried out correctly first time and high levels of customer satisfaction. Compliance with gas regulations remains very strong. Relet times, whilst significantly affected by the pandemic are still better than the City figure overall.

Income collection has improved and is maintaining positive performance. The graph below shows that this year's performance (in yellow) is better than the previous three years.



Areas of Concern

As previously advised our ability to spend our planned maintenance budget has been extremely curtailed by the performance of NPS. More detail is provided in the finance paper.

Procurement

We are involved in two procurement exercises, responsive repairs and voids, and gas servicing, repair and installation. Both projects are progressing well.

Housing White Paper November 2020

The Board requested a review of the Government's Housing White Paper that was published in November 2020 and a "health check" on BITMO's level of adherence to its principles.

The White Paper, is an official set of proposals published by the Government to indicate the nature and scope of future legislation. It sets out a New Charter for Social Housing tenants that is backed up by a stronger regulatory regime. It is based upon the themes of safety security and dignity. It emerged as a result of the Grenfell tragedy and identifies Customer Voice, quality accommodation and effective complaints processes as key to assuring safety security and dignity.

BITMO need to be aware of developments in the regulatory approach to make sure our Governance arrangements are robust. The area where we have most work to do is tenant engagement. A tenant engagement strategy is currently being developed and will be presented to the Board in due course.

It establishes seven key requirements, or obligations that landlords must satisfy:

1. To be safe in your home. Working with industry and landlords to ensure every home is safe and secure.
2. To know how your landlord is performing, including on repairs, complaints and safety, and how it spends its money, so you can hold it to account.
3. To have your complaints dealt with promptly and fairly, with access to a strong ombudsman who will give you swift and fair redress when needed.
4. To be treated with respect, backed by a strong consumer regulator and improved consumer standards for tenants.
5. To have your voice heard by your landlord, for example through regular meetings, scrutiny panels or being on its Board. The government will provide help, if you want it, to give you the tools to ensure your landlord listens.
6. To have a good quality home and neighbourhood to live in, with your landlord keeping your home in good repair.
7. To be supported to take your first step to ownership.

Detailed chapters and BITMO evaluation

Requirement		Strengths	Gap analysis	Actions	Ownership
Home safety	Nominated person responsible for complying with Health and Safety	The CEO is the nominated person	Annual H&S audit	Scope and carry out an internal H&S assurance process.	CEO
		We install hard wired smoke alarms as standard			
		5 year electrical safety checks			
		Fire alarms			
	Compliance with the enhanced regulatory regime in the Building Safety Bill	This is not relevant to BITMO as we do not have any houses in multiple occupation or high rise blocks.			
Transparency in landlord performance	Provide performance data to tenants on the matters that are of concern to them.	Board papers that include performance information are posted on the website	We don't promote readership or understanding of the published performance information	Publish performance information on the Website, and in Bits n Pieces	CEO April 2021
	Provide a clear	We provide an annual report to tenants	Financial information can be provided in a more accessible way	Publish a clear breakdown of how income is spent to tenants	CEO April 2021
	Nominate a senior person to ensure compliance with the consumer standards set by the RSH		We haven't ever carried out a review of compliance with the Regulators standards	Review compliance with the Consumer standards and publish the outcome and any action plans	CEO April 2021
	Report to tenants regularly on compliance with the consumer standards			See above	

Complaints dealt with promptly and fairly	Self-assess against the Housing Ombudsman's Complaint Handling Code	We have a clear 3 stage complaints process. No cases that have been referred to the Housing Ombudsman have been found against BITMO.	We have not self-assessed against the Ombudsman Standard. We have not analysed complaints received and how learning from them can impact on service delivery.	Self-Assess against the Ombudsman Standard	CEO June 2021
	Launch a communications campaign to make clear to tenants how to complain			Launch a communications campaign to make clear to tenants how to complain	CEO June 2021
	Publicise details of cases determined by the Housing Ombudsman			Publicise details of cases determined by the Housing Ombudsman	
Strong resident engagement	Tenants have opportunities to influence service delivery and hold the landlord to account.	Our Board contains a majority tenant membership	We cannot evidence deep and wide ongoing resident engagement in designing the services we deliver	Draw up a programme of tenant engagement around the key services we deliver.	CEO June 2021
Good quality homes	Meet the Decent Homes Standard		Stock Condition data has not been assured for a number of years	Deliver a programme of stock condition assurance and property MOTs to include EPCs.	Head of Repairs, Maintenance and Investment April 2021 and ongoing.
	Deal effectively with ASB	We have strong management arrangements around ASB. A recent internal audit provided good levels of assurance. Serious cases are dealt with by LASBT on behalf of LCC.		No action necessary.	

	Allocate Housing in the fairest way possible	All lettings are transparent auditable and comply with the LCC policy.		No action necessary.	
Promote home ownership		LCC process RTB requests.	N/A		

Recommendations

Board are requested to

1. Discuss and comment on the contents of the report.
2. Approve the implementation of the Kickstart programme to support our community in preparing for employment
3. Agree to hold, if applications merit, an extra-ordinary general meeting to facilitate having a quorate Board.
4. Approve the plans to strengthen adherence to the principles of the Government's White Paper: Charter for Social Housing Tenants

3. Scheduled Report Updates

3.1 Financial Updates

3.1.1 Revenue Management Accounts 2020-21

Budget Monitoring for the period ending 30th November 2020

Expenditure	Full Year Budget £	Year to Date Budget £	Actual Spend £	Variance
Responsive Repairs – All costs relating to day to day repairs including caretakers' work on voids	1,283,806	848,586	552,074	296,512
Staffing – Housing Staff- All staffing costs relating to delivery of housing services (Rents, Relets, Repairs, Finance, Gate)	1,019,895	664,343	689,802	(25,459)
Planned Maintenance – All planned maintenance costs including caretakers' environmental work and Three Storey Flats	519,167	329,437	323,297	6,140
Aberfield Gate – All costs relating to BITMO's day to day operation and Bitmo's Gate	292,115	167,241	166,854	387
Service Level Agreements – All costs relating to service agreements	58,881	39,254	39,254	0
Sheltered Housing – All costs relating to the delivery of Sheltered Housing services (Wardens)	78,869	52,579	53,446	(867)
Total Expenditure	3,252,732	2,101,440	1,824,727	276,714
Income				
Management Fee, Sheltered Fee, Incentive Payments, Bank Interest	3,254,644	2,160,718	2,156,249	(4,468)
Operating Surplus/(Deficit)	1,912	59,277	331,523	272,245

Introduction

- Summary above details the financial performance in the first eight months of the current financial year from 1st April to 30th November 2020.

Summary

- The surplus of income over expenditure in the first eight months of the current financial year is £332k (compared to £355k as reported in November 2020).
- The main area of underspend is in Responsive Repairs which are £297k less than budgeted (compared to £343k as reported in November).
- A significant reduction in repair costs was triggered by the Covid19 pandemic, particularly in the initial lockdown. Although repair levels are now approaching normal levels, the reduction of costs in the early months has not been rectified subsequently.
- To counter the current underspend on repairs some preventative work is being undertaken. Gutter cleaning is being done and void refurbishments are being done to a higher specification in order to reduce future maintenance costs.
- Income is down slightly on budget because the GALA was cancelled along with associated grant income and some HAP funding is still awaited.

Variances explained

A brief explanation is given below on the main variances of expenditure against the budget in the first eight months of this financial year to the end of November 2020.

Responsive repairs

£296.5k less was spent against the budget for Responsive Repairs. This underspend is largely due to:

1. The main repairs contract has an underspend of £256.7k. Repairs carried out on the void properties was underspent by £100.6k. There was an overall net underspend of £172.4k by the main contract on day to day repairs, other than repairs on voids.

Reduced activity due to Covid-19 pandemic has been a major factor regarding this large variance. Compared to the first eight months of 2019-20, 795 less jobs were requested in the same period of 2020-21. Of these, 734 fewer of day to day repair jobs and 61 fewer of void repairs were requested in the first eight months of the current year compared to the same period in the previous year.

2. Repairs by other contractors are underspent by £24.1k. The main underspend on repairs by other contractors are: Day to day repairs which are underspent by £8k, Forestry which is underspent by £3.5k and Asbestos Testing which is £4.5k less spent compared to the budget.

3. Expenditure on repairs carried out by the in-house caretaking team is £21k less than the budgeted amount, again largely because of lack of access to properties during the pandemic. Big variances are in purchase of materials which is £7.9k underspent and hire of skips which is £12.7k underspent.

Staff Costs

Expenditure on staff costs is £25.5k more than budget. This is due to Board approval of ELI costs (£70k) in May 2020. This reduction has been partly offset by (i) a £41k underspent on direct payroll due to some savings resulting from the time taken to get agreed new staff in place under new structure and (ii) with pension savings as some staff have not taken up entitlements (periodic reminders are sent).

Planned Maintenance

The Planned Maintenance budget is underspent by £6.1k. Almost all of this is underspent on the hire of skips. Gas servicing has carried on as planned and as needed by legislation, with access to properties being fully risk assessed.

3.1.2 Capital Programme 2020-21

Capital expenditure for the period to mid-January 2021 shows a 40% spend against budget. Some £690k has been spent of the total budget of £1.72m.

Further amounts which are committed and will be expended very shortly include:

- £50k for kitchens and bathrooms
- £250k for planned boiler replacements
- £42k for water connections
- £20k for Timber Framed Properties
- £20k for fencing

These expenditures will take the total to £1,072k or 62% of the original budget and 67% of the revised target.

Further expenditure which will be committed shortly includes:

- £97k for repointing
- £50k for footpaths
- £83k for the palliative care flat
- £53k for four bloc flat entrances
- £56 for car park provision

These expenditures will take the total to £1,411k (82% of original budget). If achieved this will be a good result given the challenges of the pandemic.

Scheme Title	2020-21 Budget £000's	2020-21 Spend to 18.01.21 £000's	2020-21 Revised provisional Estimates £000's
REACTIVE BOILER REPLACEMENT	80.8	37	82.00
PLANNED BOILER REPS	165.0	150.9	325.00
RE-ROOFING OF SLATE PROPERTIES	200.0	68.7	92.50
OTHER ROOFS	100.0	4.4	5.00
TIMBER FRAMED PROPERTIES	200.0	43.1	60.50
Four Flat Blocks - ENTRANCES	48.0	0.1	48.00
ROOF OUTBUILDINGS / CANOPIES	40.0	0	20.00
REACTIVE ELECTRIC UPGRADES	15.0	0.4	15.00
KITCHENS AND BATHROOMS	105.0	58.8	121.00
THREE STOREY BLOCKS (externals)	300.0	12.6	12.60
THREE STOREY BLOCKS (internals)	0.0	9.3	9.30
ADAPTATIONS	120.0	81.6	178.00
MISC DECENCY FAILURES	50.0	28.5	40.00
PUBLIC FOOTPATH RENEWAL SCHEME	50.0	0.2	50.00
PARKING PROVISION	30.0	24.8	81.40
UNADOPTED ROAD REPAIRS	0.0	0	0.00
RE-POINTING SCHEME	0.0	0	100.00
WATER SUPPLIES - HOUSES	60.0	103.4	170.00
EXTERNAL GRP DOORS	20.0	1.1	20.00
FENCING	0.0	0	20.00
PLANNED ASBESTOS	35.0	17.2	30.00
STOCK CONDITION SURVEYS	0.0	0	20.00
ENVIROVENT CONDITIONING	1.2	0	1.00
BITMO VOID REFURBS	100.0	48	88.60
Total	£1,720.00	£690.10	£1,589.90
Potential underspend 20-21 (revised estimates)			-£130.10
% spend to Original Budget		40.12%	
% spend to Revised Estimates		43.41%	

Recommendation

Board is asked to review and accept the above Revenue and Capital reports

3.1.3 Revenue Budget 2021-22

Initial draft revenue budget 2021-22 (pre Board review):

Belle Isle TMO

Preliminary Draft Revenue Budget for 2021-22

Expenditure	Actual 2018-19 £	Actual 2019-20 £	Budget 2020-21 £	Prelim Draft Budget 2021-22 £	Variance £ (2020-22)	Commentary
Responsive Repairs – All costs relating to day to day repairs including caretakers' work on voids	1,218,771	1,229,109	1,283,806	1,271,635	(12,171)	Assumed 2% increase in many costs but withdrawal of contingency rarely used.
Cyclical Maintenance – All planned maintenance costs including caretakers' environmental work and Three Storey Flats	548,153	477,770	519,167	535,213	16,046	Increased electrical testing and procurement, but savings in skips.
Other Staffing – Housing Staff- All staffing costs relating to delivery of housing services (Rents, Relets, Repairs, Finance, Gate)	916,159	975,215	1,019,895	1,032,542	12,647	Increments and pension cost changes.
Aberfield Gate – All costs relating to BITMO's day to day operation and the GATE	238,636	266,047	292,115	267,265	(24,850)	Lower website costs and redaction of lease line cost by LCC.
Service Level Agreements – All costs relating to service agreements	56,294	50,796	58,881	58,881	0	Enquires underway as to levels of cover included in present SLA's and confirmation sought that no increases will be levied.
Sheltered Housing – All costs relating to the delivery of Sheltered Housing services (Wardens)	76,754	76,187	78,869	80,470	1,601	Utility bill and key holding charges being investigated.
Amortisation of office improvements over ten years	0	0	0	15,000	15,000	Projected spend of £150k depreciated over ten years of office lease.
Total Expenditure	3,054,766	3,075,124	3,252,732	3,261,005	8,273	
Income						
Management Fee, Sheltered Fee, Incentive Payments, Bank Interest	3,129,204	3,231,807	3,254,644	3,161,010	(93,634)	Prospective LCC reduction of £94k to be confirmed in February 2021.
Surplus/(Deficit)	74,437	156,683	1,912	(99,995)	101,907	
Assumptions:						
LCC fees to be confirmed.						
Inflation estimated between 0-2%.						
Maintenance of GATE activities						
Maintenance of staff and Board training						

At the Board meeting of 26th November 2020 it was agreed that a task and finish Finance Group sub-committee be established to look at the challenges presented by an expected cut in the management fee from Leeds CC. This reduction amounted to over 2.5% of income and left a deficit of some £100k in the revenue budget for 2021-22.

The Group comprised Leon Kirkham, Jean Burton, Iris Crummack, Paul Truswell and Sharafath Ghafiri. It met on three occasions (11.12.20, 22.12.20 and 15.1.21) in order to go through the initial draft budget figures on a detailed line by line basis.

Staff were also consulted and asked if they could suggest any potential cost savings or potential ideas for further income. The initial thoughts of staff and the response from the Group were as follows:

STAFF SUGGESTIONS
<p><i>Re-think the office refurbishment. Not do the full refurbishment works on the building at this time.</i></p> <p>The Finance Group desired any refurbishment to focus on those measures necessary for health and safety reasons – including Covid-19 safety measures and lighting adaptations necessary for good working practice.</p>
<p><i>Staff give up an amount from their annual wage which would go towards bringing costs down. For example, everyone give up £1000 per year, if we all did this, jobs are saved and over heads on wages would reduce by £42,000, (42 members of staff). Could do a pro-rata basis on the pay scale, some pay more than others given they are on a higher hourly rate/scale.</i></p> <p>The Finance Group did not wish to adopt this as a measure for various reasons. It would have a direct negative impact upon staff, could only be a temporary measure and did not resolve underlying issues.</p>
<p><i>Are there any functions we carry out currently that we could pass back to LCC that would save staff costs without impacting on our core purpose or quality of service such as lettings or compliance with Gas Safety requirements. LCC are geared up to provide these services already and do so in close proximity to Belle Isle.</i></p> <p>The Group considered that this would potentially undermine front line delivery of services and the relationship with LCC and should not be pursued at this time.</p>
<p><i>Could we stop providing the Simply Health scheme ?</i></p> <p>The Group considered that this was a realistic and helpful suggestion, but would review this again once further detail was provided on usage.</p>
<p><i>Can some teams be streamlined? What are our staff to customer ratios? Can some teams be streamlined? For example how many lettings do we do per year? How many rent accounts do the rents team look after per person? How many sheltered customers do the wardens look after?</i></p> <p>A re-structure was put in place earlier in the year but this was not based on cost reduction requirements. The structure would be revisited after time had allowed for any ELI requests to come forward.</p>
<p><i>Should we close the GATE? Does it provide value for our tenants?</i></p> <p>A review of the function was underway, but there was a realisation that many BITMO services are cross cutting and that for instance rent collection potential and tenant well-being can be enhanced by the services offered. Measurement of impact would be key.</p>

Reduce mobile phones to the minimum. Instead have a pool of phones in the office for staff

An analysis of phone costs was requested. It was noted that increased use was an important aid to communications and to reporting of issues day to day.

Extensive exploration of the detailed budget has led the Group to identify the following proposed cost savings and additional sources of income:

Budget adjustments 2021-22				Minimum	Maximum
				£	£
Original budget deficit				<u>100,000</u>	<u>100,000</u>
				Min	Max
1	Office refurbishment (initial)			6,500	6,500
2	Office refurbishment (add'l)			2,000	5,460
3	Procurement additional cost			(2,000)	(2,000)
4	Vehicles			3,000	6,000
5	Staff training			5,000	5,000
6	Staff conference			2,500	2,500
7	Simply Health			4,500	4,500
8	Shredding			250	500
9	Toiletries			250	250
10	Mobile phones			840	840
11	Subscriptions			1,000	1,000
12	Water dispensers			500	500
13	Bits n Pieces			2,000	2,000
14	Board training			2,000	3,000
15	Voicescape			5,400	5,400
16	Internal Audit			5,700	5,700
17	Community Events			506	506
18	Misc equip GATE			500	500
19	Groups Fund			2,000	2,000
20	Servicing of meetings			600	600
21	Service delivery costs GATE			840	840
22	Event deliver costs			100	100
23	Retirement Life Misc			80	80
24	Rental income			500	500
25	Treasury management			100	2,000
				<u>44,666</u>	<u>54,276</u>
Revised deficit				<u>55,334</u>	<u>45,724</u>

Each of these major proposed savings will be explained in detail at the meeting. The proposals have also been explained to staff. Some of them will be fairly straight forward and can readily be undertaken, but some measures require further consideration and one measure requires a period of consultation with staff and unions. This is the Simply Health benefit to staff which has been in place for many years and enables staff who participate to both reclaim some medical expenses and also directly access a counselling service. The Group considered that there should be adequate cover for the counselling service and it was confirmed that alternative provision is provided for any staff who feel that some private counselling is needed.

Actioning these measures will improve the financial position from £45k to £55K, leaving a residual deficit of up to £55k.

The Group recommends to the Board that the Revenue Budget for 2021-22 allows for a deficit of up to £55k (excluding any ELI costs) and that this amount is met from reserves.

Reserves as at 31.3.20 were some £1.2m. The Board has a minimum reserves target equivalent to 3 months expenditure (£750k), in order to allow for any unforeseen circumstances which may interrupt income flows or necessitate emergency actions. Of the residual £450k there is a need to maintain some £200k which relates to anticipated repair work on the estate. This means that there is a cushion of free reserves of some £250k. £55k of this might be potentially utilised during 2021-22, if the Board agrees to the recommendation of the Finance Group.

A query was raised as to whether any Covi-19 related government relief costs might be applicable to BITMO going forward. Enquiries will be made as to whether any such funds are or might be available and whether LCC has changed its stance on whether they should be accessed.

The Group also examined as far as possible some more medium terms measures which could alleviate financial challenges for the future:

(i) Early Leavers Initiative

Details are awaited of the current Early Leavers Initiative that was launched in December 2020. Such schemes have an up-front cost of pension and severance obligations but need to show that overall savings will be made over five years which will outweigh these ELI costs. The Group requested business plans for any requests and these will be presented when details are received from LCC.

(ii) Charitable structure

The possibility of securing grant monies for GATE outreach projects would be enhanced by the establishment of a charity to conduct those works. Many grant giving bodies will only give to charities registered with the charity commission and BITMO does not fall within that classification.

The Group requested that further feasibility work be undertaken into this possibility, so that a clearer idea of what additional funds might be attracted and what form of structure would best fit the interests of such work. Liaison has taken place with Rollits solicitors of York who have indicated that a Charitable Incorporated Organisation might be the simplest best fit for the structural requirements of such a charity.

The new organisation would need to have charitable objects which complement those of BITMO, but they would also need to be different and have a unique selling point in order to offer work that is attractive to grant giving bodies.

The Group asked that this research be concluded before the Board meeting in October 2021 at the latest and earlier if at all possible.

Recommendations

The Finance Group therefore presents the following recommendations to the Board:

- The proposed savings above amounting to £45k-55k are pursued with further staff/union consultation where needed.
- That up to £55k of Reserves may be utilised during the financial year 2021-22 to support service delivery.
- That any posts that become vacant from now will be reviewed by the CEO and the Chairs before any replacements are recruited.
- That ELI business cases are constructed where applications are received for future Board review.
- That a proposal for the establishment of a registered charity to conduct externally funded outreach activities be brought to a future meeting of the Board no later than October 2021.

3.1.4 Capital Budget 2021-22

A provisional budget has been created based on the steady state anticipated parameters outlined by LCC. An overall budget of £1.72m has therefor been allocated across the required spend areas.

The large areas of cost include:

- Boiler replacements – allowing for some 40 reactive and 80 proactive replacements.
- Roof replacements – with the bulk of Phase I of the Mansard stock being planned. Stages II and III will follow in the following two years
- Timber framed property work at Broom Nook
- Three Storey Block work (internal and external) will need to be carried out over a longer time frame than originally anticipated because of delays and the need of other spend areas

Scheme Title	2020-21 Budget £000's	2020/21 Revised provisional Estimates £000's	2021-22 Budget £000's	Notes 2021-22
REACTIVE BOILER REPLACEMENT	80.8	82.00	54.8	Equivalent of 41 boilers.
PLANNED BOILER REPS	165.0	325.00	140.0	Equivalent to 82 boilers.
RE-ROOFING OF SLATE PROPERTIES	200.0	92.50	295.5	Represents residue of current programme of 18 roofs less those to be completed 2020-21. Total Stage 3 estimate £378k.
OTHER ROOFS	100.0	5.00	0.0	No further items identified.
TIMBER FRAMED PROPERTIES	200.0	60.50	388.5	Remaining 21 properties at £15,900 plus fees (£18.5k gross).
Four Flat Blocks - ENTRANCES	48.0	48.00	24.0	Equivalent to 8 blocks at £3k.
ROOF OUTBUILDINGS / CANOPIES	40.0	20.00	0.0	None identified.
REACTIVE ELECTRIC UPGRADES	15.0	15.00	15.0	Full spend expected
KITCHENS AND BATHROOMS	105.0	121.00	121.0	16 Kitchens @ £6k / 10 Bathrooms @ £2.5k.
THREE STOREY BLOCKS (externals)	300.0	12.60	98.0	Originally a 4 year prog. 16 internal @ £20k / 5 external @ £150K. Total £1.07m plus fees.
THREE STOREY BLOCKS (internals)	0.0	9.30	93.0	4 out of 16 internals at £20k
ADAPTATIONS	120.0	178.00	90.0	Palliative care flat tendered. High adaption numbers.
MISC DECENCY FAILURES	50.0	40.00	50.0	Inc fire damage to two properties
PUBLIC FOOTPATH RENEWAL SCHEME	50.0	50.00	30.0	Survey complete. Spend expected.
PARKING PROVISION	30.0	81.40	0.0	Agreed with NPS
UNADOPTED ROAD REPAIRS	0.0	0.00	30.0	Mapping available
RE-POINTING SCHEME	0.0	100.00	50.0	Agreed zero budget following major investment prior year.
WATER SUPPLIES - HOUSES	60.0	170.00	50.0	37 properties done. 59 more scheduled.
EXTERNAL GRP DOORS	20.0	20.00	20.0	Only replace when needed.
FENCING	0.0	20.00	20.0	Programme being developed.
PLANNED ASBESTOS	35.0	30.00	30.0	Increased due to pressure on prior year budget
STOCK CONDITION SURVEYS	0.0	20.00	30.0	To be done by Main contractor and to include EPC's.
ENVIROVENT CONDITIONING	1.2	1.00	3.5	Condensation equipment
BITMO VOID REFURBS	100.0	88.60	86.8	Higher refurb costs to include decoration & carpets
Total	£1,720.00	£1,589.90	£1,720.00	

Recommendation

Board is asked to approve the above draft Revenue and Capital budget reports.

3.2 Former Tenant Arrears Write-Off Proposal

In accordance with the Management Agreement between BITMO and LCC, the Board is periodically asked to approve the write off of certain former tenant arrears from the accounts of LCC. Such debts can remain a legal liability for the former tenants and there is no impact upon the accounts of BITMO.

Please see Appendix 3 for further details.

Recommendation

The Board is asked to approve, under the terms of the Management Agreement with LCC, the book write-off of 20 rent accounts with a total value (over 5 quarters) of £34,500.

3.3 Anti-Social Behaviour internal audit

The final audit report conducted by LCC internal audit team is attached separately.

Results summary:

Control Environment	Good
Compliance	Acceptable

Recommendation

The Board is asked to note the report and raise any queries.

4. Any Other Business

Date of Next Meeting: Thursday 25th March 2021 at 6.00pm

APPENDIX 1

BOARD MINUTES
26 NOV 2020

FULL BOARD
Minutes of a Teleconference Meeting
Meeting
held on
Thursday 26th November 2020

Present: Leon Kirkham
Jean Burton
Iris Crummack
Michelle Lyons
Cllr Paul Truswell
Sharafath Ghafiri
Ashley Knowles
Lisa Caley

In Attendance: Deborah Kelly (Chief Executive Officer)
Peter Olver (Head of Governance & Finance)
Andrew Walker (Head of Repairs and Maintenance)
Karen Hoole (Governance & Admin Support Officer)

PART A – Public Agenda Items

Apologies

Apologies were received from: Margaret Brown, Cllr Judith Blake, Rose Hodgkinson, Julie Rhodes, Tracey Morris

Questions from the Public

There were no members of the public present.

Issues raised by Board Members for the Agenda

There were no issues raised.

1. Minutes and Matters Arising

The minutes of the Board meeting held on 3rd October 2020 were approved.

a. Matters Arising from the Full Board Meeting held on 3rd October 2020

Item	Update
Staff restructure	New counter and repairs staff appointed, trained and operational. New Income and Tenancy Manager in place.
Business Continuity	New national restrictions in place until 2 December. This item was discussed under Item 2 – CEO Report
Potential office reconfiguration	Awaiting new specification from NPS as the spec received exceeds the budget.
Main contractor procurement	Project on target – this item was discussed under Item 2 CEO Report.
Risk Register Review	A separate meeting to be arranged for those Board members who wish to attend.
Board Co-options	Advert has been placed as agreed with the Board.
Board Declarations	The Board were asked to complete and return declarations as soon as possible. New forms to be sent out to all Board members.
Capital programme progress	This item was discussed under CEO Update and financial updates.
Overgrown conditions in the Swamp.	Site inspection made and actions have now been agreed.

Board members asked the following questions:-

Q Office Refurb – should this not be put on hold?

A. This has already been budgeted for in this Financial Year.

Recommendation for Noting

The Board are requested to NOTE the matters arising updates.

Noted.

2. CEO Operational Report

The CEO presented the latest CEO Operational Report and highlighted the following from the report.

(i) Rents

The Board had requested a detailed analysis of rent collection activity and the level of debt. The CEO highlighted that the level of debt was dropping and that performance was improving due to changes in Universal Credit.

The CEO congratulated the Rent Team on their hard work.

Board members asked the following questions:-

Q. Do we have any telephone support for mental health?

A. The GATE does. We do have a Financial Inclusion Officer to provide support where needed. We also signpost to debt and employment services.

A Board member requested a meeting to discuss what mental health and financial support we are providing. A meeting will be arranged to include the Income and Tenancy Manager and the Head of Governance and Finance.

(ii) Lettings

Lettings activity is fully resumed and is continuing during this period of increased national restrictions.

(iii) Annual Home Visits

Annual Home Visits being conducted principally via telephone and are approximately 32% complete.

(iv) ASB

The internal audit of ASB has been received. It found that there were no significant weaknesses in our arrangements but made some important recommendations around completing the vulnerability matrix and ongoing case supervision.

The ASB Audit report was omitted from the Board papers sent to Board members. This will be added to the January Board papers.

v) Planned Maintenance

As previously reported we are at risk of not delivering our planned investment programme within year. We are mitigating this risk by commissioning Mears to carry out internal decorations to communal areas, carry out stock condition surveys including EPC and thermal imaging, and accelerate the replacement water supplies programmes.

(vi) Responsive Repairs

The backlog of repairs has reduced from 400 to approximately 20 and is reducing steadily.

Procurement

Procurement of our main responsive repairs and maintenance contract is proceeding according to the timetable presented at the meeting. Eleven PAS91 submissions have been received. The first stage of evaluation meant that 6 contractors are going forward to the next stage. They will be asked to submit tenders.

Staff changes

Stephen Oldham joined the organisation on 2nd November as our new Income and Tenancy Manager.

Covid

The level of remobilisation is being maintained where possible. Due to the changing situation and due to 10% of staff testing positive for the disease. Several colleagues are self-isolating and maintaining service delivery is proving very challenging across all teams.

A Board member requested that if members of Belle Isle staff are affected by Covid that Board members are informed of this.

The CEO explained that details cannot be given as this is a private health matter.

The Chair advised that Board members should be informed of any outbreaks of Covid (2 or more persons) affecting staff but no personal details will be provided. He requested that if for any reason the organisation cannot function due to the Covid illness the Board should be notified as soon as possible.

Health and Safety

There was nothing to report.

Property Condition

Board members were updated on the current situation regarding 22 Nesfield. A trial had been scheduled prior to lockdown. This is now expected in April.

Board members asked whether we could inform the immediate neighbours of the property that a court date has been planned for April. The CEO will take advice on whether we can do this as the case involves a vulnerable person.

Recommendations Approved

The Board were asked to NOTE the matters included in the CEO Report

3. Social Housing White Paper

The CEO reported on the latest Social Housing White paper published on 17th November 2020 which outlines the actions the government will take to ensure that residents in social housing are safe, are listened to, live in good quality homes, and have access to redress when things go wrong.

The Board were given instructions on how to access the full report online. The Board requested that an overview of how BITMO currently addresses the issues in the White paper be presented to the Board at the next meeting.

Recommendations Approved:

The Board were asked to note the latest Social Housing White Paper. *Noted.*

The Board requested an overview of how BITMO currently addresses issues raised in the White Paper.

4. Discussion Topic – Greening the Estate

At the last Board meeting it was suggested that a discussion topic for the next meeting could be the important issue of Greening the Estate.

Board members were asked to consider further works on the estate and to suggest any areas in which tree and flower planting could be undertaken.

Board were asked to form a sub group to drive the agenda forward. Board members should contact the Head of Governance and Finance if they wish to be involved.

Recommendation Approval

The Board were requested to discuss the report on greening the estate and to establish a sub group to lead on the BITMO green agenda.

The following Board members volunteered their services at the meeting:-

- Cllr Paul Truswell
- Iris Crummack
- Sharafath Ghafiri

Noted and Approved.

5. Scheduled Report Updates

5.1 Financial Update

The Head of Governance and Finance presented the Management account figures to 30th September 2020 and advised that they indicate that the level of responsive repairs continues to be very low during the Covid19 pandemic.

He gave a summary of the Revenue accounts as follows:-

- Surplus of income over expenditure in the first quarter of the current financial year is £355k.
- Main area of underspend is in Responsive Repairs which are £341.8k less than budgeted.
- A significant reduction in repair costs was anticipated due to the Covid19 pandemic.

A brief explanation on the main variances of expenditure against the budget in the first six months of this financial year to the end of Sept 2020 was given.

He highlighted that the level of responsive repairs continues to be very low during the Covid19 pandemic and that although numbers of jobs have now picked up and are nearing pre-Covid19 levels the work does not look as though it will automatically pick up all the shortfall.

Additional projects are being pursued to ensure that estate condition is maintained. This includes a gutter cleaning scheme to reduce future maintenance repair costs.

Recommendation for Noting

Board members were requested to note the Revenue Management Accounts for the 6 months to 30th September 2020.

Noted.

5.2.1 Capital Programme

The CEO presented the Capital Programme Report at the meeting and advised that Year-end projections will be finalised before the end of November in order to report back to Leeds LCC.

She advised that Capital programme costs remain below target but are now being achieved with increased momentum due to increased focus on this.

Recommendation

The Board were asked to note the Capital Programme report.

Noted.

5.1.3 Budget Setting

The CEO advised that Leeds City Council (LCC) has given a draft management fee indication for 2021-22. It is £3.188m on the Revenue account, but this is awaiting confirmation by LCC in February 2021.

A draft budget will be presented to the Board at the meeting in January 2021 and a final version will be brought to the Board in March 2021.

A draft budget for Capital spend for 2021-22 will also be brought to the Board at the next meeting in January 2021.

Recommendation

The Board were asked to note the report provided.

Noted.

5.2 GATE Update

The CEO gave an update on the GATE and highlighted that the Christmas Party and Christmas Market have been cancelled this year due to COVID-19.

The Community and Tenant Support Team are co-ordinating a safe and socially distanced, community Christmas event to take place between 11am - 3pm on Monday 21st December. Santa will be delivering selection boxes, hats and gloves at drop off points around the estate.

A Board member asked the following questions:-

Q. Whether a risk assessment had been undertaken for this activity?

A. Yes this has been done.

COVID-19 has increased everyone's reliance on the internet. In recognition of this, the Community and Tenant Support Team are working with community partners to help improve digital access and skills across the LS10 postcode.

Twenty Google Pixel 2 XL smartphones, each with 24G of data have been distributed to people who were digitally excluded and were nominated by the Rents team, Supported Services team and Windmill Primary.

Board members were asked to highlight any residents who want access to the internet and do not have it to contact the CATS team.

A Board member asked if there was any funds/variances that could be used to support vulnerable tenants.

The CEO explained that we are looking at alternative ways in which we can provide support to tenants on the estate. The Head of Governance and Finance will contact the Board member to discuss in more detail.

Recommendation

The Board were asked to note the GATE report provided.

Noted.

6. Any Other Business

Springwell Academy Donation Request

The CEO advised that a request for a donation had been received from Springwell Academy to provide pupils with selection boxes for Christmas.

The Chair suggested and it was agreed that a donation of £50.00 be made to each school in the area to be spent on Christmas activities or treats for the pupils.

Date of Next Meeting: 28th January 2021 at 6.00pm

APPENDIX 2

PERFORMANCE GRID
QUARTER 3
2020-21

Appendix 2 – key performance indicators

Key Performance Indicator	BITMO Target	2019-20	2020-21 Q1	2020-21 Q2	2020-21 Q3	Notes
Variance from total budget	2020-21 £2k budget	£142k positive variance	£140k positive variance	£310k positive variance	£331k positive variance	1
Staff attendance - sick absence	TBC	15.67(days)	2.12(days)	2.46[days]	3.74 [days]	2
All homes have a current gas safety certificate (Sayes KPI)	100.00%	99.44%	99.73%	99.68%	99.46%	3
All homes have a current electric periodic inspection certificate (PMS KPI)	98.78%	90.66%	N/A	90.36%	100%	4
Fire Safety inspections to communal areas	100%	100%	100%	100%	100%	5
Capital Investment programme completed (100% for the year)	100.00%	97.10%	2.80%	9.20%	40.12%	6
Percentage of rent collected	97.50%	95.66%	94.36%	96.85%	96.26%	7
Percentage of rent owed	2.20%	4.08%	4.41%	3.50%	3.79%	8
Amount of rent owed	£164,008	£282,744	£312,979	£248,028	£267,636	9
(RR1) Repairs done right first time	90%	97.35%	96.47%	96.72%	96.70%	10
(RR2) Repairs completed within target time	99%	98.73%	82.94%	77.90%	85.82%	11
Time taken to relet empty properties - Gross Relet	28	26.69	-0.67	56.36	56.83	12
Percentage of properties untenanted	1.10%	0.57%	0.69%	0.0037	0.80%	13

Notes	Comments
1	Positive variances due to responsive repairs underspend re Covid
2	Cumulative YTD figure given from APR – DEC of 3.74% No COVID related absence is captured in Q3 data. Although still some absence during Q3 2020, including both LTS & STS, absence has significantly decreased in 2020, likely due to WFH.
3	Below city (LCC) and target but, steady performance across the quarter with peaks and troughs. 1859/1869 of annual gas services completed resulting in 99.46%. Highest recorded in Q3 was November at 99.84% and lowest being 99.46% December
4	Move to the 5 yearly inspection regime continues and a data cleanse is underway
5	Office risk assessment completed Jan 2021
6	£690k spent of budget of £1.72m but rapid progress now made
7	Expected decrease for the festive period realised (ending Dec). Highest percentage of rent collect noted for Nov (96.79%). Lowest as at Dec of 96.26%. Rent collection below target but above city (LCC) e.g. 96.07% comparative to 96.26% for BITMO.
8	Similar to rent collection. The city shows 3.74% to end Q3. For BITMO 3.79% (Dec) is the highest for Q3. The lowest being Nov at 3.43%
9	The lowest levels of arrears for the quarter were £242k.
10	Orders continue being raised with notifications to tenants in delays to non-essential repairs. Presented figure, cumulative 96.95% of repairs started and finished same day which are above target of 90.50%. the 96.95% continues to remain higher than city (of 92.35%). High – low of each month in the Quarter (3) shows, highest at 99.16% (Nov) lowest 96.70% (Dec equates to 440/455)
11	Operational COVID implications also applicable to this KPI. Cumulative figure of 85.82%. Below target of 99%, but higher than city figure of 75.30%. Highest for the quarter at 97.45% (Nov), lowest 92.74% (Dec 460/496)
12	COVID period impacts also applicable, however average void turnaround days (AVTD) reducing consistently over Q3. Highest AVTD 63.72 as at Oct, with lowest ending Dec (56.83). Faster turnaround times when compared with city (LCC), although target of 28 days not met.
13	Count of Void ending Dec in Q3 15/1869 of assets under management, comparable to city (LCC) 728/54455. Relative to above KPI e.g. lower turnaround times reflects lower percentage of untenanted assets.

APPENDIX 3

Former Tenant Arrears Write Off

APPENDIX 3

FORMER TENANCY ARREARS

Introduction

This report seeks the Board's approval to write-off

- a) 17 accounts with a value of £8,978.81 for quarters 1 and 2 of financial year of 2019-20.
- b) A further approval of 20 accounts with a value of £25,521.25 is sought for the quarter 4 of financial year 2019-20 and quarters 1 and 2 of financial year 2020-21.

The total of these figures is £34,500.06.

Quarter 3 was notified by LCC and approved by Board in March 2020.

These accounts relate to Former Tenancy Arrears debts that have accrued since 2000 and are held on the Orchard Management System. All appropriate recovery action has been exhausted in the recovery of these debts.

This request is for Belle Isle Tenant Management Organisation to write-off the stated amounts within the financial year 2020 - 2021.

It should be noted that there was a delay in getting this information although it was requested several times.

In the first two quarters of financial year 2020-21, £17,188.49 of debt was recovered from the former tenants. The amount still owed by the former tenants as at the beginning quarter 3 of financial year 2020-21 is £174,479.

2. Recovery Procedure

2.1 The Policy in respect of Former Tenants Arrears is for Housing Officers to make every attempt to recover the debt. The Policy includes:

- a) Tracing of tenants through and the Council's 4 main systems (Orchard, Council Tax, Siebel and Housing Benefits) where no forwarding address exists. Using Experian to trace former tenants.
- b) Issuing of accounts to tenants where an address has been obtained.
- c) Referring the debt to External Recovery Agents where no payment is being received
- d) In addition we are constantly looking for alternative methods of recovery action.

2.2 Where a tenant cannot pay or disputes accounts the Council offers payment by arrangement and in some circumstances the former tenant may be entitled to Housing Benefit and the Account Managers will provide this advice.

2.3 The Company offers various payment methods, i.e. at the Post Office or Pay Point using a Swipe Card, by Standing Order, on the Internet or over the telephone using a debit card.

3. Write Off Criteria

3.1 Debts are written off for the following reasons: -

- a. Deceased or no next of kin, in Hospital or a Home.
- b. Debt recovery action, tracing tenants through Experian or the 4 Councils systems unable to be found.
- c. Debtor has no assets
- d. In excess of 6 years old and statute barred.
- e. External agents Moorcrofts, Rossendales and Debt Recovery Administration used unable to collect, absconded and all actions exhausted.
- f. In Prison for more than 3 years unable to pay
- g. Small balances

Quarters 1 and 2 of 2019-20

Please note that write off information for Quarters 1 and 2 of 2019-20 was not promptly provided although Quarter 3 write off of £8,194.85 was submitted to the Board for approval in March 2020.

Tables 1 & 2 below of Quarters 1 and 2 of 2019-20 provide details of the write-off analysed by reason and value bandings.

Table 1 Reasons for the write off

FORMER TENANT ARREARS WRITE OFF QUARTERS 1 & 2 2019-20			
Reason for write off	Value of Debt	No of Accounts	% of Total Value
Small Balance between £10 to £50	£64.15	3	0.71%
Tenant Deceased	£6,402.79	8	71.31%
FWOB Small Balance under £10	£20.60	3	0.23%
Debt Recovery action, including EDRA, exhausted	£2,491.27	3	27.75%
Total	£8,978.81	17	100.00%

Please note that Quarter 1 2019-20 write off amounted to £8,102.33 and Quarter 2 2019-20 write off amounted to £877.48

Table 2 Write off by banding Quarters 1 & 2 2019-20

Value Banding	Value of Accounts	Number of Accounts	%age of write off
----------------------	--------------------------	---------------------------	--------------------------

	£		%
Greater than £2,000	£2,333.09	1	25.98%
Between £1,000 and £2,000	£3,729.76	2	41.54%
Between £100 and £1,000	£2,831.21	8	31.53%
Less than £100	£84.75	6	0.94%
Grand Total	8,978.81	17	100.00%

Quarters 4 2019-20 and 1 & 2 of 2020-21

Tables 1 & 2 below of Quarters 4 of 2019-20 and 1 & 2 of 2020-21 provide details of the write-off analysed by reason and value bandings.

Table 1 Reasons for the write off

FORMER TENANT ARREARS WRITE OFF QUARTERS 4 2019-20 AND 1 & 2 2020-21			
Reason for write off	Value of Debt	No of Accounts	% of Total Value
Bankruptcy/Debt Relief Order	£1,030.22	1	4.04%
Tennant Deceased	£1,979.11	2	7.75%
Unable to trace	£5,317.66	4	20.84%
Debt Recovery action, including EDRA, exhausted	£13,982.66	11	54.78%
In excess of 3 years no payment	£2,487.90	1	9.75%
Debtor in Care Home	£723.70	1	2.84%
Total	£25,521.25	20	100.00 %

Please note that the total write of £25,521.25 is sum of combined total of £15,510.65 for Quarter 4 2019-20 and Quarter 1 2020-21 averaging £7,755 per quarter and £10,010.60 for 2 2020-21

Table 2 Write off by banding

FORMER TENANT ARREARS WRITE OFF QUARTERS 4 2019-20 AND 1 & 2 2020-21			
Value Banding	Value of Accounts	Number of Accounts	%age of write off
	£		%
Greater than £2,000	11,401.55	4	44.67%
Between £1,000 and £2,000	9,359.55	7	36.68%
Between £100 and £1,000	4,701.81	8	18.42%
Less than £100	58.34	1	0.23%
Grand Total	25,521.25	20	100.00%