

## **PROJECT DOCUMENTATION**

## **HIGHLIGHT REPORT**

### ***Chorley Council Housing Stock Transfer***

Version: 16

Date: 03/01/07

**This Project utilises Chorley Borough Councils Project Management Methodology**

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Programme Board: Housing Transfer Negotiating Group

**Date of Report 03/01/07****Period Covered**

From September 2005 to December 2006

**Overall Project Status****G**

A positive ballot result was achieved on August 8<sup>th</sup> with 69.6% of tenants voting, and 63.1% of those who voted, voted 'Yes'. The result was accepted and approval given to proceed with the transfer (subject to contract and Secretary of State's consent) and the post ballot arrangements by the Executive Cabinet on August 24<sup>th</sup> and full Council on 19 September 2006.

The post ballot stage is proceeding to plan with no exception reports to date. All current indications point to the project remaining on track with completion of transfer taking place by the target date of 26 March 2007.

**Budget Status****G**

The post ballot budget has now been agreed by the Council and Section 25 consent for the set up costs loan to CCH has been approved by the Secretary of State for Communities and Local Government.

Spent this period	Spent to date	Balance
91,000	359,215	1,116,785

*This includes interest on the loan and non-recoverable VAT and is the total of both budgets.*

**Schedule Status****G**

*The project plan is currently on track, with all items/tasks assigned.*

**Products Completed****G**

- Pre ballot and ballot stage complete
- Stage 2 ended 8<sup>th</sup> August
- Positive ballot result achieved
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- Stock condition survey completed by FPD Savills
- Implications of stock condition successfully incorporated in draft business plan
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- Environmental survey commissioned – to include asbestos
- Survey ready in draft form
- Classification of HRA nearing completion
- Draft report on future arrangement for Homelessness Service issued
- Homelessness report has been reviewed and now completed – been reviewed by Councils consultants, awaiting comments from the Director Of Finance
- 
- Repository now on netstore for all documents

- Disengagement issues identified and meeting held on 21<sup>st</sup> April – updates have now been collated and a more detailed approach will be taken at the Disengagement Sub Group
- Post ballot consultants for Council have now been appointed – Lead are Enterprise BWNL and Legal are Trowers and Hamblins. Tribal and Wright Hassall have been retained as the lead and legal advisors respectively to CCH
  
- 1<sup>st</sup> post ballot report went to the Exec Cabinet on 24<sup>th</sup> August
- A Housing Transfer Committee has been set up to meet on the same day as the HTNG meetings.
- Negotiating structures have been drawn up and staffing arrangements set up
- Extra sub groups have been established – Asset, Disengagement and Finance and are due to meet monthly
- CCH has also established extra groups – Project Management Board, CCH/Adactus liaison group, engagement group and finance group
- The Corporate Team has gained an ICT Project Manager, a Corporate Transfer Accountant and the part time Project Assistant's role has become a full time Project Officer.
  
- The Section 25 letter has now been sent
- VAT Advisor has now been appointed - PWC
- Draft environmental survey has been received, reviewed by Trowers and Hamblins and a second draft has now been requested from RPS in light of their comments.
- Risk management consultant to be appointed. Tenders have gone out.
- 1<sup>st</sup> draft of the Transfer Agreement has been discussed by the Council
- Review of post ballot stage by Audit Commission has started – HS has sent documents etc. and interviews are being arranged with the Audit Commission.
  
- The 1<sup>st</sup> draft of the Transfer Agreement has been sent to CCH for comments.
- The Audit Commission visited the Council and no major issues were found. Report to follow.
- It was agreed that the SLA's would be removed from the Disengagement Group and passed over to the Finance Sub Group with Gary Hall as the owner.
- A database has now been set up by IT to record, track and manage all issues.
- The Homelessness and Allocations Service Review and Private Sector Lifeline proposals are now with the Council for decision.
- Marsh Ltd. have now been appointed as the environmental risk management consultants for the Council.
- Section 25 consent has been given.

#### Areas Provisionally Agreed with CCH

- Assets to transfer/retain
- Accommodation Offer
- TUPE 2 list
- Homelessness and Allocations Service Proposal (including transfer of Cotswold House)

These areas have been informally agreed at Officer level subject to Board and Council approval.

**Sub Group Reports****G**

**Asset Sub Group** – Paul Morris (Lead Officer), Roger Handscombe, Helen Schofield, Mike Wingeatt, Sharon Simmonds

The schedule for property assets to transfer/retain was approved by the Housing Transfer Committee on 7<sup>th</sup> November and details of the registered titles passed to Adrian Bode of Trowers and Hamlins for documentation. All pre contract issues raised to date have been dealt with. Terms have been agreed for CCH to take Gillibrand St offices on a 3 year lease and were approved by the Housing Transfer Committee on 5 December. Arrangements are in hand to re-locate staff within the building to facilitate alteration works during January & February prior to full occupation by CCH in March.

The inventory of all non property assets has been completed, and stock takes of the stores will be completed in January and at the end of March, immediately prior to transfer.

A questionnaire has been sent out to all housing staff and long serving non housing staff to obtain information which may help identify any risks associated with the warranty process. Responses have been collated and sent to Trowers and Hamlins and the exercise is now being brought to a close with a final round of enquiries to complete all responses.

The Environmental survey is complete and the first draft report reviewed in conjunction with Andrew Wiseman of Trowers & Hamlins. Our consultants RPS have completed a re-draft for consideration and finalisation by the next meeting of the Group on 16 January. Garry Barclay is co-ordinating indemnity insurance through specialist brokers, Marsh who will be attending the meeting.

Quotations for further specialist survey work to warrant the asbestos management procedures have been invited and will be discussed at the next meeting. Some advice is needed on the requirement for further work, particularly the type 3 destructive surveys which have been suggested by Savills but are considered inappropriate by the specialist consultants.

**Finance Sub Group** – Gary Hall (Lead Officer), Helen Schofield, Richard Roe, Malcolm Shorrocks  
The Finance Sub Group is now dealing with SLA's. Business Plan discussions are still ongoing. The results of the Stock Condition Survey have now been received and there are no major amendments to be made. A meeting has been arranged with Adactus to discuss cash receipting on January 12<sup>th</sup>.

**Disengagement Sub Group** – Tim Murphy (Lead Officer), Cath Bell, Graeme Walmsley, Helen Schofield, Sharon Simmonds, Dave Watt, Graeme King.

A database is now in use to record and track issues. It requires sign-off from both the Council and Housing before an issue can be closed.

CCH wish to keep their PC's and printers until the transfer. This will allow thorough environment testing reducing the potential for problems following transfer. We have met with the leasing company to explore the cost of lease extensions.

The Director of Customer, Democratic and Legal Services has received a list of Housing contracts and it appears that, at the present time, there are no issues.

CCH have agreed the installation cost to provide a private network link between Gillibrand St. and Bengal St. The cost of leasing the network from the Council has also been agreed. An SLA is currently the subject of quality assurance by the Legal Department.

The option of a video-conferencing link between Union St. and Gillibrand St. is under consideration. ICT Services are exploring the options with a view to an early implementation if a suitable solution can be found. This is to ensure that customers can receive Housing advice during the accommodation changes.

CCH are to use the existing telephone network in Gillibrand St. A meeting has been arranged with Telewest to discuss how best CCH requirements can be met.

Although we have CCH expectations in a number of areas, they are still only just being confirmed as decisions – telephones being a good example. We are now applying more pressure for decisions through the weekly meetings.

**CCH update**

Housing Corporation pre registration visit - Took place on 5 and 6 December 2006. The feedback received was positive, and the Housing Corporation has indicated that CCH are on target to achieve registration. A response to the feedback from the Housing Corporation is currently being compiled.

Executive Team recruitment - Director of Corporate Services of CCH appointed by Board on 5 December 2006.

Abbey approved as funders for CCH by Board on 5 December 2006.

Management of homelessness and allocations service by CCH approved by Board on 19 December 2006.

**Actual Problems (Issues)****G**

The issues log is up to date and being dealt with by the Sub Groups. There is now a database capturing all issues, actions and owners.

<http://theloop/housing issues/>

**Potential (Risks)****G**

The risk log is currently up to date and monitored regularly.

<..\Risk Logs\Stock transfer Risk Log 17 121206.doc>

**Project/Forward Plan****G**

The next milestones to be achieved are the TUPE lists, the VAT Shelter sharing agreement and the finalisation of the environmental survey.

All indications suggest that the project will remain on track.