

AUDIT COMMITTEE

15 APRIL 2008

OPERATION OF THE HOUSING MAINTENANCE CONTRACT

Report from: Neil Davies, Chief Executive

Author: Deborah Upton, Assistant Director, Housing and Corporate Services

Summary

This report sets out the council's position with Erinaceous Property Management (EPM) and the solicitor to the council will address members on the legal position at the meeting.

1. Budget and Policy Framework

- 1.1 This report does not contain any direct policy or financial implications. It is a report for information only, and it is appropriate that the outcome of the solicitor's investigation and any lessons to be learnt are reported to the Audit Committee.

2. Background

- 2.1 On 1 April 2007 the council entered into a contract with EPM for them to provide a responsive repairs and maintenance service, and to carry out capital works. This relationship replaced the previous term contracts with a number of separate contactors, and was intended to be a "one-stop shop" for these services to housing residents.
- 2.2 Members are aware that whistle blowing allegations have been made to the council's external auditors by several members of staff, in relation to their concerns over the council's contractual relationship with EPM.

3. The current position

- 3.1 As Members are aware, there has been a substantial amount of publicity regarding the issues surrounding the EPM contract. It is clearly unhelpful to the council's legal case if EPM gain information

regarding our position. A meeting is due to be held with EPM prior to the committee and therefore a verbal update will be given at the meeting.

4. Advice and analysis

- 4.1 The council's legal position with regard to the EPM contract will be set out at the committee, and advice given at that meeting. As the information will be a matter of legal privilege Members will be recommended to consider this in closed session.

5. Recommendation

- 5.1 That the report be noted.

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Background papers: None