

**BARNET HOMES
BOARD MEETING
25TH SEPTEMBER 2006
6.30PM – 8.30PM**

ITEM	TITLE	STATUS	PRESENTING
1	Introductions & Apologies		
2	Agree Minutes & Matters Arising		
3	Declaration of Interests		
4	Directors Resignation	Information	The Chair
5	Annual Report	Decision	Mike Wiffen
6	Consultation Feedback (Decent Homes Revised Works)	Decision	Peter Headland
7	3 rd Priority – Customer Care – Equalities & Diversity Policy Complaints Annual Report 2006/7	Decision	Jacky Nelson/Peter Headland
8	LAPN Report	Information	Margaret McPeake
9	Feedback From the Sub Groups	Information	Chairs of the Sub Groups
10	Future Agenda Items	Decision	Margaret McPeake
11	Any Other Business		

**BARNET HOMES BOARD MEETING
31ST JULY 2006
MINUTES**

Attending:

Directors:

Vi Britchfield	Monroe Palmer
Maria Colaco	Hugh Rayner
Lucia Fiveash	Trevor Renouf (<i>Chair</i>)
Jem Fouweather	Kennedy Ross
Julie Johnson	David Sidbury (<i>Vice Chair</i>)
Tosin Okuzu	Tim Sims
Yetunde Onifade	Sharon Slotnick

Apologies:

Eileen Douglas

Management & Staff:

Peter Headland	Mike Wiffen
Kate Laffan	Harry Williams
Margaret McPeake (<i>CEO</i>)	Marian Dowling (<i>Minutes</i>)
Derek Rust (<i>Deputy CEO & HoHS</i>)	

Apologies:

Barbara Collins	Cora Vigar
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ITEM	TITLE	ACTION
1	Introductions & Apologies	
1.1	Cllr's Julie Johnson and Hugh Rayner were introduced to the Board.	
1.2	Apologies were noted.	
2	Agree Minutes & Matters Arising	
2.1	Amendments:	
2.2	Apologies: Typo error – should read Maria Colaco	
2.3	Item: 1 1.2 – Council elections were held on the 4 th May 2006.	

2.4	Minutes agreed	
2.5	Matters Arising	
2.6	Item: 2 2.5 SLAs SLAs for 2005/06 have been received. The Council have drafts of all the SLAs for 2006/07.	
2.7	Item: 7 7.5 Self Assessment Document The Board were advised that some ALMOs had taken advantage of the Audit Commissions offer to review their self-assessments. It was agreed that this would be good practise for Barnet Homes and should be considered around August 2007 or earlier.	
2.8	Item: 10 10.1 Staff Handbook The Board were advised that it is in hand	
3	Declaration of Interests	
3.1	Julie Johnson, Hugh Rayner and Monroe Palmer declared their interest as London Borough of Barnet Councillors.	
3.2	Jem Fouweather declared his interest as a member of HQN.	
4	2nd Priority – Efficiency	
4.1	The report outlined Barnet Homes approach to efficiencies identifying the links between the Business Plan, Procurement and VFM.	
4.2	The Board discussed the possibility of moving out of the HRA subsidy system. The Board were advised that the Government had sought six pilots consisting of 3* ALMOs and excellent Local Authorities to look at the impact of this across different types of organisations. A workshop has been arranged for the Council and Barnet Homes to discuss the implications for Barnet. Steve Partridge from HQN will be	

	leading. The Chair will be attending Board Directors are also welcome to attend.	
4.3	Hugh Rayner asked about the "Lean Thinking Toyota Model" It was agreed that this would be looked at and brought to a Sub Group meeting at a future date.	Mike Wiffen
4.4	Jem Fouweather requested a detailed assessment of the efficiencies with actions to be taken, to be provided to the new Board after the AGM in October 2006.	Mike Wiffen
5	Draft Annual Report & Accounts 2005/6 – Annual Performance	
5.1	The Board were advised that overall the Company accounts were healthy financially with a surplus of £600,000 showing a £500,000 surplus after tax deductions.	
5.2	The Board were advised that FRS17 (pension Scheme liability) is still to be resolved the Inland Revenue have not issued any recommendations.	
5.3	The Business Sub-Group had raised concerns regarding FRS17, as this shows the company to be insolvent therefore making trading illegal. David Sidbury advised that the Board should be concerned.	
5.4	The Board discussed in detail the draft Annual Report and raised concerns that the difficulties around the Decent Homes works was not sufficiently addressed.	
5.5	Margaret McPeake advised that the Item: 4 The CEO message addressed this issue but agreed that this could be looked at again.	Peter Headland
5.6	The Board were advised that a final draft would be sent to all Directors.	Peter Headland
6	Decent Homes Programme	
6.1	The report outlined the progress of the decent homes investment and the issues affecting it.	

6.2	The Board discussed in detail the issues around the decent homes work and the level of consultation with the residents.	Peter Headland
6.3	The Board noted the work of the Procurement Sub Group in reviewing the progress on the Decent Homes Programme.	
6.4	The Board agreed the revised scope of the works in principal for 2007/08 as set out in paragraph 6.8 for consultation with residents. Feedback was requested to the September Board meeting.	
6.5	The Board agreed the options as set out in paragraph 6.13 are worked up and the outcomes reported to the Procurement Sub Group.	
6.6	The Board agreed that residents are consulted as set out in Appendix 3 on the revised scope of works with a report going back to the September Board meeting.	
6.7	The Board agreed that the further work as listed in paragraph 6.14 is reported back to the Procurement Sub Group.	
7	Future of ALMOs	
7.1	The report updated the Board on the key points arising out of the four documents published by the DCLG (Department for Communities & Local Government)	
7.2	The Board noted and discussed the issues raised in the report.	
8	Governance Issues	
8.1	The report advised the Board of the appointment of two new Board Directors, amendments to the terms of reference of the Sub-Groups and a minor change to the Scheme of Delegation.	
8.2	Various issues around the terms of reference were raised by the Board and it was agreed	

	that these would be brought to the review of the Sub-Groups which will be held after this years AGM.	
8.3	The Board noted the appointment of Councillor Hugh Rayner and Councillor Julie Johnson to the Board as from 17 th May 2006.	
8.4	The Board expressed their thanks to Councillor Silverstone and Councillor Rogers for their services to the Board.	
8.5	The Board approved the proposed amendments to the Sub-Group terms of reference (included as Appendix 1a – 1f)	
8.6	The Board considered the proposed amendment to the existing delegated powers to enable the Chair and Vice Chair to nominate the Chairs of the Sub-Groups and agreed that the Chair and Vice Chair should nominate the Chairs of the Sub-Groups. The nomination(s) must then be brought to the Board for agreement.	
8.7	The Board approved the proposed amendments to the Scheme of Delegation as outlined in paragraph 6.6: 18(new) Delegated powers of Barnet Homes Board BH7 (new) Delegated powers of Barnet Homes Officers New Business.	
8.8	The Board agreed to amend the Standards and Ethics Committee Procedures: "Senior Officer Disciplinary Matters" to include Heads of Service.	
9	AGM Notice	
9.1	The Board asked for clarification as to whether Item: 4 4.2 (Report on the AGM) "21 clear days" referred to clear working days.	Cora Vigar/Kate Laffan
9.2	Item: 4 4.3 (vi) (Report on the AGM) – to read " a form enabling the Member of the Company" not "the member"	Cora Vigar/Kate Laffan

9.3	The Board approved amendments to the Form of Notice attached as Annex 1 to the report.	
10	Feedback from the Sub-Groups	
10.1	The Board noted the contents of the reports.	
11	Forward Agenda Planning	
11.1	<p>The Board discussed and agreed the following agenda for the 25th September 2006</p> <ul style="list-style-type: none"> • 3rd Priority – Customer Care • Equalities & Diversity Policy • LAPN Report • Feedback from the Sub-Groups • Annual Report • Future Agenda items 	
12	Any Other Business	
12.1	The Chair advised the Board of the opening of the newly refurbished communal lounge at Grahame Park. The Lounge has been named after Mike Cohen a founding Director of Barnet Homes who sadly passed away in September 2005. Mrs Cohen carried out the opening which was also attended by the CEO. The Chair wished to convey thanks to Anne Denison and the Resident Participation Team for all their hard work.	
12.2	The Chair advised the Board of the celebratory lunch, held to mark the achievement of the Anti Social Behaviour Team in achieving the Municipal Journal Award and Chartermark	
12.3	The next Item Raised under AOB is a confidential item and will be minuted separately.	
	Date & Venue of Next Meeting	
	<p>Monday 25th September 2006 6.30pm – 8.30pm 9th Floor Boardroom, Barnet House</p>	

1. Statement of Purpose

- 1.1 Regular financial reporting is key to the sound financial management of Barnet Homes Limited and in supporting the company in achieving its business aims.

2. Summary

- 2.1 Attached to this paper are the Annual Report and Accounts for 2005/6.

3. Recommendations

- 3.1 That the Board approve the Annual Report and Accounts for 2005/6.

4. Financial & Risk Management Issues

- 4.1 See body of report.

5. Resident Consultation and Equalities Issues

- 5.1 A summary of the final report and accounts will be freely available for residents following the Annual General Meeting.

6. Background Information

- 6.1 The Board received a draft of the Annual Report and Accounts at its meeting of 31 July 2006. The final version is now attached in the form it will be filed at Companies House – a proof of the 'glossy' version will be available at the meeting.
- 6.2 There are some changes to the 31 July version. The Chair's and Chief Executive's Reports are moved to sections 2 and 3, ahead of the Report of the Board which is now section 4.
- 6.3 Within the Report of the Board we now include some key financial performance indicators as well as a note of the key financial risks to the Company. The section on Employees is also enhanced, and there is a revised Statement of Directors' Responsibilities. These are to meet requirements of the Companies Act.
- 6.4 On page 13 there is a note to the effect that the accounts are prepared on a going concern basis but that they fully recognise the Company's pension deficit. This has been agreed with the Council and our auditors.
- 6.5 There is now a table of Annual Performance Indicators and Targets at section 6 of the Report.
- 6.6 The statutory accounts are at section 8 of the Report. These are amended as to the agreed treatment of the pension deficit and the

treatment of Corporation Tax on the basis that we are mutual traders on our activity with the Council.

- 6.7 Note 22 to the Accounts describes the pension liability acquired on 1 April 2004 and its treatment in the accounts. We also include a note about the closure of Direct Operations after March 2007.
- 6.8 The Annual Report and Accounts will be presented at the Annual General Meeting on 16 October 2006.

Author: Mike Wiffen
Date: 15 September 2006

Chief Executive Officer Approved:
Date:

Barnet Homes Limited

Annual Report and Financial Statements

Year ended 31 March 2006

Improving lives not just housing

Contents

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8. Financial statements

Front and back inside covers have highlights (at end of this report)

1. Company Information

Directors	Trevor Renouf (Chair) David Sidbury FCA (Vice-Chair) Ingrid Beal (October 2005 – present) Vi Britchfield (October 2005 – present) Mike Cohen (Deceased Sept 2005) Maria Colaco Eileen Douglas Lucia Fiveash (October 2005-present) Jem Fouweather Councillor Julie Johnson (from May 2006) Tosin Okuzu Yetunde Onifade Councillor Monroe Palmer OBE, FCA Councillor Hugh Rayner (from May 2006) Margaret Robbins (Retired April 2005) Councillor Paul Rogers (until May 2006) Kennedy Ross (Jan 2006 – present) Councillor Gerard Silverstone (until May 2006) Tim Sims JP Pattie Skeats (retired November 2005) Natwarlal Vadera (Retired June 2005) Sharon Slotnick – Co-opted member – October 2005-present (unless stated current director who served for whole of 2005/6)
Chief Executive Officer	Margaret McPeake
Heads of Service	Derek Rust (Deputy Chief Executive and Head of Housing Services) Cora Vigar (Head of Corporate Services) Mike Wiffen (Head of Financial Services)
Company Secretary	Cora Vigar
Registered Office	1255 High Road Whetstone London N20 0EJ

Registered Number	4948659
Auditors	RSM Robson Rhodes LLP Chartered Accountants Bryanston Court Selden Hill Hemel Hempstead HP2 4TN
Bankers	The Co-operative Bank plc 3/7 Market Street Watford Herts WD1 7AB

2. Chair's message

How quickly time flies, it seems just a short while ago we were looking back on our first year of operation and suddenly we have come to the end of our second.

When I think of all the work that has gone ahead in the last year I am not surprised that it has seemed busy: we have finished modernising another 800 properties, installed 754 new kitchens, 575 new bathrooms, carried out 740 heating upgrades and completely rewired 700 homes. In total we have spent nearly £26million.

It pleases me to say that whilst the average time spent working on a home has been 25 days, our residents are all clearly very happy to be having the work done and have put up with the disturbance very well – our latest call centre satisfaction rate for the work stands at 90%!

And it's not just been about housing either – I am delighted to say the Anti-Social Behaviour Team, which we set up in 2004 when residents told us anti-social behaviour was a prime concern for them, has won a national award in conjunction with the council. We have taken control of anti-social behaviour so seriously that the team has worked tirelessly with the council's legal service to get orders against violent tenants, drug addicts and those who harass our vulnerable tenants. We are using the latest technology to help, such as the introduction of Mosquitoes – not the blood sucking kind - the high tech version that sends out sound waves only young people can hear. This discourages them from hanging around in groups where they are causing serious concern to tenants.

Looking ahead we still have a lot to do – getting the rest of our homes up to the decent standard and making sure we are providing the services residents want to see.

So let's get busy – I invite you all to play a part and say especially to our residents come and join us. Get involved in the many different ways on offer and make a real difference not only to your home, but also to the neighbourhood where you live.

To my fellow board directors, I'd like to express my thanks for their voluntary work on behalf of Barnet Homes.

Trevor Renouf, Chair of the Board

3. Chief Executive's message

Compiling this annual report has given us a good opportunity to really look back at what we have achieved as we sought to implement our vision of excellent services for residents, and of course the continuation of our improvement programme to our housing to provide decent homes.

In the last year we have seen successes such as high levels of satisfaction with our call centres after 91% of tenants told us they wanted to contact us by phone; the decent homes standard was completed for 800 homes with resident satisfaction for the work at 90%; over £850,000 was spent on adaptations for over 500 disabled tenants; the resident participation team attracted over £200,000 in external funding for projects such as youth workers at the Grange, and we undertook many sustainable communities projects such as the youth radio station Xpress It! FM, and a community safety forum at Dollis Valley.

So much has happened in the past year that it is clear to see that we, at Barnet Homes, have not lost our drive, enthusiasm and determination to ensure that our customers are getting the service the you deserve.

And so to the future – we have asked ourselves: “where are we going?” Delivering the decent homes programme remains a key priority yet, to be frank, we face a greater challenge than ever to do so.

We have less income than we expected due to less money from central Government, the requirement to achieve efficiency savings and the rising costs in the building industry. This means that we cannot keep spending at the rate we have been doing. We want to make sure everyone benefits from the investment we do have and are working hard to achieve this.

The challenge of sharing the money, and therefore the improvements, may mean changes to our plans. We may have to choose between modernising bathrooms or kitchens rather than both, or replacing wooden windows only rather than all windows. We may also have to change the order in which work is carried out. During this year we will be consulting residents about preferred options for investment in the future.

Such news is obviously disappointing to everyone and at Barnet Homes we are all saddened that this is the difficult picture ahead of us, but, as I have said, we are working hard to make sure that all our customers still benefit.

Challenging times are ahead yet I am confident that we will achieve the main goal of decent homes for all.

Margaret McPeake, Chief Executive of Barnet Homes

4. Report of the Board

The Board is pleased to present the financial statements of the company for the year ended 31 March 2006.

Principal Activities

Barnet Homes Limited is an arms-length management organisation (ALMO) owned entirely by the London Borough of Barnet, which began its operations on 1 April 2004. The Council has delegated the management of its housing stock to the company under Section 27 of the Housing Act 1985 (as amended by the Housing and Urban Development Act 1993). Under that delegation the company is responsible for the following functions:

- Maintenance of the Council's residential stock including stock investment decisions and procurement, planned maintenance and responsive repairs
- Housing management of the Council's residential stock, including rent collection, leasehold management, enforcement of tenancy and lease conditions, managing voids and estate management
- Home ownership services
- Calculation and collection of leasehold charges
- Financial management of the Housing Revenue Account
- Services under the Supporting People programme
- Tenant involvement and resident participation

Review of Results

Barnet Homes had a successful second year of operation, achieving a surplus in the Profit and Loss Account of around £600,000 before taxation but after allowing for the effects of accounting entries in relation to pensions. Overall the result was broadly in line with our budget. We also delivered a capital programme of £25.8 million on behalf of the Council, some 43% in excess of the previous year, utilising £15 million of the ALMO Decent homes funding. As part of the public sector we contribute to the Government's efficiency agenda and made efficiency gains of over £800,000 in 2005/6, including £546,000 cashable

gains, the bulk of which was reinvested in services. Details of the achievements of the Company during the year are addressed in the following sections.

Key financial performance indicators

Key Performance indicator	Target	2006	2005
Percentage of expenditure to budget on housing management	100%	98.84%	99.93%
Percentage of expenditure to budget on repairs and maintenance	100%	102.54%	102.45%
Percentage of expenditure to budget on capital programme	100%	98.54%	103.93%
Percentage of invoices paid on time	90%	77.61%	85.45%

Performance on payment of invoices dipped in 2005/6 following the introduction of new financial systems, but it is now running ahead of the 90% target.

Barnet Homes Limited principal source of income is the management fee from the London Borough of Barnet which is paid monthly in advance in accordance with the Management Agreement. The fee is set in advance, and the main risk to the Company is that it is able to deal with inflationary pressures in excess of that allowed for. Further the principal source of Council funding for the management fee is its Housing Revenue Account and there are external pressures from the Government as to the medium-term level of funding through its Housing Subsidy system.

Corporate Governance

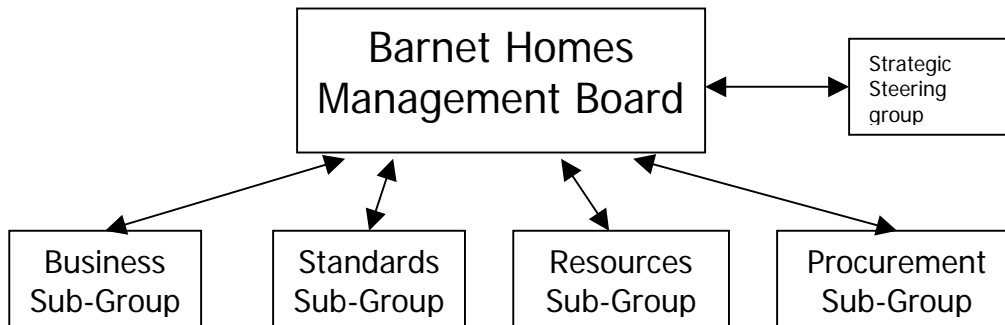
Barnet Homes Board comprises sixteen Directors, made up of five residents (four tenants and a leaseholder), five Council nominees and five independents and one co-opted member. A list of current Directors and as at 31 March 2006 is shown in the Company Information section above. All served throughout the year with the exception of Vi Britchfield, Ingrid Beal, Lucia Fiveash and Sharon Slotnick who joined the Board in October 2005 and Kennedy Ross who joined in January 2006.

The Board regrets the death of Mike Cohen on 2 September 2005 after a long illness. Three other Directors have retired from the Board since 31 March 2005: Margaret Robbins, Natwarlal Vadera and Pattie Skeats

Following the local government elections in May 2006 the Council has nominated two new directors to the board, Councillor Hugh Rayner and Councillor Julie Johnson who replace Councillor Gerard Silverstone and Councillor Paul Rogers.

The Board is responsible for strategic decisions such as budget-setting and business planning. As the ultimate decision-making body it is also accountable to the London Borough of Barnet as the sole shareholder. It met eight times during 2005/6. These meetings are open to residents and reports and minutes are published on our website as being open and transparent is central to Barnet Homes' philosophy.

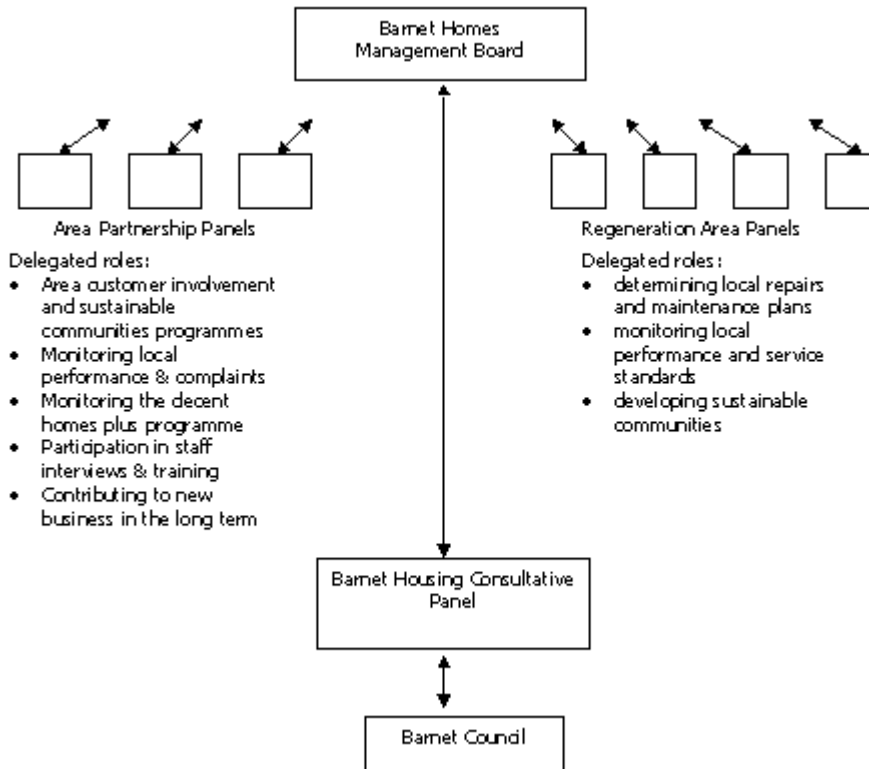
The Board delegated some decision-making responsibilities to a number of Sub-groups.



Each sub group takes a lead on a business aim

Sub Group	Business Aim	Other main roles
Business	New Business	Business planning, budgets, IT, value for money, risk management
Standards	Excellent services/customer involvement Safe, sustainable communities	Inspection, reviewing services, reputation
Resources	Workforce	Change management, accommodation, health & safety, publicity
Procurement	Decent homes plus	Investment, technical services procurement
All	Needs of our diverse customers	

The Board also delegates roles to area partnership and regeneration panels as set out below. A review of the roles of area partnership panels was carried out in 2005 – the aim was to consider how best the Panels can help in delivering the six business aims of Barnet Homes.



The Barnet Housing Consultative Panel is the main consultation forum for Barnet Homes on borough wide operational issues and for the London Borough of Barnet on strategic housing issues.

The current Chief Executive Officer and Heads of Service are listed under Company Information above. They act as executives within the authority delegated to them by the Board. The detailed scrutiny of performance, development of policy and procedures and approvals of expenditure within budget are carried out by them. They meet regularly as a management team.

Insurance

The Company maintains insurance policies for the members of the Board and the Executive Team against liabilities in relation to the company.

Employees

We aim to achieve and promote equality of opportunity in all aspects of our recruitment, training, policy and practice and to facilitate a working environment where employees feel safe, supported, able to challenge and where any discrimination is dealt with effectively.

We ensure that applicants with disabilities receive fair treatment and are considered solely on their ability to do the job, taking into account any reasonable adjustments required. We also ensure appropriate training for employees with disabilities as for other employees.

We strive to become an employer of choice and are committed to developing our people to deliver our business aims. In 2005 we carried out an employee opinion survey which gauged our approach to people management from an employee's perspective. We have developed a leadership and management development programme for delivery in 2006/07, which will ensure that all staff with line management responsibility are highly skilled in people management.

All staff have one-to-one meetings and appraisals with their line managers; they also have access to learning and development and this is monitored and evaluated on a regular basis.

We have a comprehensive internal communication strategy which aims to encourage two-way communication within the organisation and enhances learning and development. Initiatives have included an annual roadshow for all staff on the business plan and what it means for them, team meetings, lunchtime learning sessions, regular staff newsletters, corporate induction for new staff and a staff recognition scheme. Managers also meet regularly with recognized trade unions both informally and formally, for the purposes of furthering involvement, consultation and negotiation.

Post-Balance Sheet Event

The Board determined that in tendering for new repairs and maintenance contracts effective from April 2007 the in-house Direct Operations team would be transferred under TUPE arrangements to the successful contractor(s). This results in a reduction of around sixty directly-employed staff although has no impact on turnover.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial

year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the entity will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern

The accounts are prepared on a going concern basis. Due to the introduction of FRS 17 the Company's pension deficit of £2.0m is now recognised in full on the balance sheet. However, the London Borough of Barnet has fully guaranteed the Company's pension deficit at the point of its incorporation (on 1st April 2004) of £2.4m. In addition, the London Borough of Barnet has provided a letter of comfort to the Directors of Barnet Homes, setting out its intention to fund Barnet Homes' ongoing operational cash flow requirements from the point of incorporation onwards via the timing of the payment of the agreed monthly management fee.

Disclosure of Information to Auditors

At the date of making this report each of the company's directors, as set out on page X, confirm the following:

- So far as each director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

RSM Robson Rhodes LLP has expressed their willingness to remain in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

The report of the directors was approved by the Board on 25 September 2006 and signed on its behalf by

Cora Vigar
Company Secretary

5. Our vision: Mission statement and business aims

Our mission statement is:

“To achieve excellence by delivering high quality and improving services to all residents.”

In 2005/6 we had six business aims:

- to provide **excellent services** driven by **customer involvement**
- to bring all homes up to **decent homes plus** standard by 2010
- to provide services that meet the needs of all our **diverse & vulnerable** customers
- to develop **safe** sustainable & cohesive **communities** through partnership
- to develop a highly skilled, motivated and satisfied **workforce**, which is reflected in high quality services to residents, and
- to develop **new business** areas for Barnet Homes.

Over the next few pages we summarise the impact of our business aims.

6. Our impact

To provide excellent services driven by customer involvement

– Achievements

- We had a continued focus on customer service
- 91% of our tenants prefer contacting us by phone and we have achieved high levels of satisfaction with our call centres
- Substantial effort has been given to delivering the rent, leasehold and SAP IT projects
- Continued improvement in tenant satisfaction with opportunities for involvement
- Cashable efficiency gains of £546,000 have been reinvested in priorities, for example, environmental work

Case study

As well as our formal resident participation panels and consultation groups, we conduct surveys focusing on different services. For example, the Anti-social Behaviour Team employs an independent research company to collect the views of residents who have contacted them for help with nuisance or harassment.

Last year saw further service improvements for the new team based on feedback from their first year of operation. Their clients' satisfaction with handling of cases has increased, with about half feeling that everything was being done to stop anti-social behaviour by the perpetrator.

As a result of feedback, a new out of hours hotline for reporting problems will be in place this year. As well as this, there will be a joint protocol with the Council's Social Services and Supporting People team to help vulnerable tenants who are causing problems for their neighbours.

'Without the officer's help I couldn't have moved. She's been there for me all the time with the problems I've had, and I'm really pleased. I've got learning difficulties, and she's always helped me with everything I need. I'm really pleased as well that I'm staying a Barnet Homes' tenant, as I've been a long standing tenant and they are really helpful.'

Audrey Davidson

To bring all homes up to decent homes plus standard by 2010

Achievements

- Constructor partners have been engaged- United House, Balfour Beatty and Apollo London are all working on site
- Work in 800 homes has been completed by our partners
- We have spent £26m in capital expenditure
- Resident satisfaction with the work is high at 90% plus
- We appointed our own occupational therapist for adaptations

Case study

Apollo began modernising Drummond House, one of our sheltered housing schemes, starting with its residents' lounge. They were able to create a larger kitchen for social occasions and have fitted new security lights and CCTV.

Four flats were each refurbished in different styles and given new kitchens, shower rooms, double glazing, modern heating, redecorated and carpeted. This allowed residents to choose a furnishing scheme and also to move temporarily into a new flat, while their own flat was being modernised.

Apollo has been praised by the Considerate Constructors Scheme for an excellent and well-managed site. A lot of thought has gone into establishing a good rapport with the residents as well as providing social events to entertain them.

Elaine Healey, one of our younger sheltered housing residents, has lived in Finchley for many years. Her daughter and grandchildren live on the Font Hills estate, so when she was offered a place at Drummond House she was ecstatic. She is keen to join in and helps the Sheltered Housing Officer organise events, as well as lending a hand to other tenants. She loves living in Drummond House and is delighted with the difference the decent homes work has made.

'Lovely kitchens and showers, which are so much better – we've joined the modern age! The new windows have made a big difference to the warmth and have cut outside noise.'

Elaine Healey

To provide services which meet the needs of all our **diverse & vulnerable** customers

Our achievements

- Our services are focussed on users and reflect the needs of a diverse community
- Black and ethnic minority tenants are much more satisfied with our services and with opportunities for involvement
- We know our customers much better than before –who they are, their needs and their views about our services
- We have made greater use of translation and interpreting services
- We achieved a very positive Supporting People inspection
- We spent £850k on adaptations for over 500 disabled tenants
- We established surgeries in partnership with DabB for tenants with disabilities.

Case study

Barnet Homes has set up surgeries across the borough on a quarterly basis for tenants with disabilities. It has teamed up with Disability Action in the Borough of Barnet and Barnet Council and invited all its tenants, who are known to have a disability, to an informal drop in.

Our staff gather feedback about our services by chatting to tenants, whilst they wait to see a specialist advisor about welfare benefits, adaptations, support services repairs or choice based lettings.

The surgeries have been well attended, as have our focus groups set up to discover the views and needs of our ethnic minority tenants.

‘Fifty residents came along to the first surgery of its kind, showing that there’s a need for this. In partnership with Barnet Homes we hope to continue this successful and worthwhile approach.’

Jaspal Dhani, Director Disability Action in the Borough of Barnet (DabB)

‘I was surprised and pleased to be invited to the drop-in. I enjoyed it and learnt quite a bit, but best of all I’m now getting a new bathroom with the advice I was given. I’d definitely go to the next one.’

Jacky Armstrong, Resident

To develop **safe** sustainable & cohesive **communities** through partnership

Achievements

- Our Antisocial Behaviour Team was an MJ award finalist and has applied for Chartermark
- There has been a 38% increase in tenant satisfaction with our handling of antisocial behaviour cases
- We reviewed our response to domestic violence, produced and launched a support pack on our website and chaired the borough's Domestic Violence Forum
- The resident participation team attracted over £200k in external funding, for example, for youth workers at The Grange and for the sheltered IT project
- We undertook sustainable communities projects such as football coaching, "ExpressIT" FM radio station, a community safety forum at Dollis Valley, a youth action plan and bid for youth workers at Stonegrove.

Case study

Working with young people should be a priority issue say our residents. Therefore we have projects to provide diversionary activity for young people. One example is getting the community radio station up and running at Grahame Park. Youths on the estate worked with us and our One Stop Shop, The Wright Community Development Trust, Barnet's Youth Service & Connexions and Barnet College to develop an internet radio station, called Xpress It! FM.

The £15,500 project, launched in November, offers 16-19 year olds the chance of a five-week taster course in radio broadcasting which can lead to a full time BTEC course at Barnet College. For younger children, there's lots to do as the station needs plenty of support to keep it running, such as making trailers and adverts. This summer it will broadcast for 28 days.

'It's let me produce more of my skills in radio production and I have become more positive about speaking on the radio. I have met more people that know about radio production and they have inspired me further...'

Miss Rudie aka Alisha James

To develop a highly skilled, motivated and satisfied **workforce**, which is reflected in high quality services to residents

Achievements needs amending

- 91% of residents find staff helpful
- Ongoing improvements as a result of our staff satisfaction survey
- People First initiative launched for staff
- We held the first Barnet Homes Staff Away Day in Sept
- We launched a competency framework and new appraisal scheme
- Long term sickness has been reduced
- We have increased awareness of health and safety at work
- We have developed a Human Resources strategy as well as having a Learning and Development Plan

Case study

Barnet Homes knows that we can't achieve any of our plan to be a three star organisation without a dedicated workforce. That is why we have made a commitment to support our teams through a programme of learning and development , which will increase, adapt and hone their skills. Our People First programme is our especially created project to deliver staff excellence. Standard tools, such as appraisals, go hand in hand with innovative learning and development opportunities such as mentoring with senior managers. Niyi Ajayi, our Customer Liaison Officer, gained valuable project management skills from a Project Manager for the Investment Delivery Team this year.

‘In the three months, I gained an excellent insight into project managing by working on a refurbishment job. I learnt to prepare project documents, including the brief and project plan and to present these to directors with confidence.

Thanks to the support and training of my scheme mentor I have since been seconded to work on a two month fire safety project within Barnet Homes.’

Niyi Ajayi

To develop new **business areas** for Barnet Homes

Achievements

- A Fresh Start Officer and Resident Involvement Manager for Priority Estates were new posts funded by the Council
- Our Lifeline service has provided emergency standby since April 05 with high levels of customer satisfaction
- There has been a 2+ % increase in take up of Lifeline
- We have had initial discussions with major Registered Social Landlords about using Lifeline for monitoring lone workers
- We submitted a Supporting People growth bid
- We had advanced discussions with a significant Registered Social Landlord about managing their stock in Barnet
- Overall we have achieved small levels of additional income, and there are high levels of staff awareness about the importance of new business to our future success.

Case study

This year we have explored opportunities to expand our existing Lifeline service to offer more Telecare services such as Lone Worker monitoring for other organisations. Whilst this is ongoing, we have taken on 121 new Lifeline customers increasing our clientele by 2.4%.

‘It’s so reassuring not only for me, but also importantly for my relatives. It makes me feel a lot safer and I’ve stopped worrying now. I can be active in the garden even with a bad hip knowing I can alert help if necessary.’

Elizabeth Fosgate, New client

How we performed

Improving customer care

	target	result
Freephone 0800 3895225 calls answered	94%	96.9%
We ended the year above target and exceeded the industry's standard.		
Average waiting time	20seconds	18.8seconds
We ended the year with better than target performance.		

Dealing with nuisance and anti-social behaviour

	result
Acceptable Behaviour Contracts served	24
Anti-Social Behaviour Orders obtained	13
Excellent performance from the ASB team who have again been shortlisted for a Municipal Journal award for excellence.	

Re-letting empty homes

	target	result
Time taken	30 days	30.06days
Effective working between lettings and repairs teams has resulted in a target performance.		

Improving estates

	target	result
Estate action days	23 by 31/3/06	23
The Audit Commission's Inspectors saw these as an innovative way of looking after our estates and their surroundings. We also completed 23 estate action plans against a target of 23.		

Maintaining and improving homes

Decent Homes Plus
 We were able to give 800 homes new windows, put in 745 new kitchens and 575 bathrooms, upgrade 740 heating systems and rewired 700 homes.

Annual Performance Indicators and Targets

Ref	Indicator Description	Target 05/06	Result 05/06	Barnet Homes Only	Calculation Issues	Target 06/07	Comment
BV63	Average SAP Rating	68	68.3		BVPI returned by Nigel Bell LBB	69	Excellent performance to exceed target as a result of joint working with Barnet Council. The target was set at 68, a jump of 3 points from the previous year and its achievement secured a grant from the Government to tackle fuel poverty.
BV66A	% Rent Collected including Arrears	96.90 %	96.43%	96.74%	BVPI Calculation includes HRA Hostels	97.30%	Good work by the Rental Income and Regeneration teams resulted in a better than target year end cash arrears figure (£1.29m v £1.4m). We believe the lower than expected collection rate reflects uncollected former tenant arrears arising in the year (without these former arrears collection would have been 97.1%). Legal actions taken to reduce current arrears had an impact on the number of former tenancies being created, the number of Notices issued and Evictions carried out.
BV66B	% Tenants with More Than 7 Weeks Arrears	26%	15.01%	14.81%	BVPI Calculation includes HRA Hostels	13.00%	
BV66C	% Tenants in Arrears where Notice Seeking Possession Served	45%	43.41%		Includes tenants where NSP served more than once in year. Higher than should be	30.00%	
BV66D	% Tenants in Arrears Evicted	0.31%	0.39%	0.36%	BVPI Calculation includes HRA Hostels	0.33%	
BV74A	Overall satisfaction	80%	78%		F2F STATUS compliant	80%	Target not met but is within the +/- 4% margin of error for the

	with Landlord						survey. Major change is planned in these areas over the next year and developments including improvements in procurement and updated service standards are intended to increase satisfaction. It is worth noting that the % satisfaction of minority ethnic tenants has increased from last year and exceeded target.
BV74B	Overall satisfaction with Landlord - Black and Minority Ethnic (BME)	77%	79%		F2F STATUS compliant	80%	
BV74C	Overall satisfaction with Landlord - Non BME	80%	77%		F2F STATUS compliant	80%	
BV75A	Satisfaction with Opportunities to Participate	62%	65%		F2F STATUS compliant	66%	Good performance here with all indicators above target.
BV75B	Satisfaction with Opportunities to Participate - BME	57%	64%		F2F STATUS compliant	66%	
BV75C	Satisfaction with Opportunities to Participate - non BME	64%	65%		F2F STATUS compliant	66%	
BV164	Does BH Comply with CRE Code of Practice?	YES	YES		Returned by Paul Shipway LBB	Yes	
BV184A	% Stock Non-Decent at 1 April	58%	58.79%		Based on newly arising need at 01/04/05	63%	These BVPI's on decent homes are annual measures produced at the beginning and end of each financial year. Both were very close to the target figure.
BV184B	% Change in Non-Decent Stock in Year	10.34 %	10.46%		Calculated based on NDH at 31/03/06 as % total retained stock at 01/04/05	23.81%	
BV212	Average Relet Time	30 days	30.06 days		Includes tenancy date within turnaround calculation	29 days	Good work by the Voids and Lettings and Repairs teams has resulted in achieving target .

Barnet Homes Limited – Company No. 4948659

CPA	Responsive Repairs - Appointments Made and Kept	98%	98.70%			98%	Repairs appointments that were made and kept came in just above the target set as a result of constant monitoring and regular meetings with the contractors.
CPA	% Urgent Repairs Completed in Government Time Limits	98%	99%			98%	Target exceeded.
CPA	Average Time to Complete Non-Urgent Repairs	8 days	8 days			8 days	Target achieved.
CPA	% Planned to Responsive Repairs Funded from Revenue Expenditure	60:40	69:31			60:40	Basis of calculation changes following an audit and restatement of the criteria.
PULSE	Resident Satisfaction with Repairs	98%	96.90%			98%	Satisfaction with the overall repairs service was slightly down on the target, but 96.9% is still regarded as good performance. The issues raised by residents throughout the year have been monitored with no specific area being identified. Each month areas of poor performance are identified and discussed at the Housing Management Team meetings and with the individual contractors who have performed poorly, to identify the reasons and agree action plans to improve satisfaction levels, which are then monitored to ensure current satisfaction levels are maintained.

PULSE	Complaints Responded to In Time	90%	68.20%			90%	1032 out of 1513 Stage 1 complaints answered in time (68.2%) is disappointing but is an improvement on last year. We know that these figures present a worse position than achieved because we did not have the ability to distinguish between true complaints (i.e. expressions of dissatisfaction from external customers) and service failures picked up as a result of internal and external customer feedback and recorded in order to identify service gaps. This is will be corrected as part of the priority 1 CM improvements. Also, staff shortages in the maintenance surveyor team caused delays in response times. An Action Plan has been developed to improve performance and progress is reported to Standards sub-group.
PULSE	Lifeline Response Within 30 Seconds	80%	92%			90%	Excellent performance here has meant the target has been significantly exceeded.
PULSE	Annual Service Charge Collected	104%	86%			104%	Collection performance in 2005/06 was affected by a large Actual charge debit of £710,000 going onto accounts in December and there were also a number of issues connected to the introduction of new IT systems. The new Saffron Service Charge Income Module went live on 13 February 2006. Diverting resources from the Home Ownership Team towards the new Saffron system resulted in a short term decline in arrears activity. The new Saffron module has already brought increased benefits which will increase efficiency and make officers' time more productive.
PULSE	New Tenants Visited in 8 weeks	100%	86.10%			95%	613 out of 712 visits were completed in time. Outturn is below target but the last three months of 05/06 showed a steady improvement and the reinstatement of the 4 week interim visit target has had a positive effect on performance overall.
PULSE	New Tenant Satisfaction	95%	96%			95%	Satisfaction with Permanent lettings has shown a steady improvement since December 2005 and has achieved target. Satisfaction with Temporary

							lettings is below target but the sample size was small.
PULSE	Working Days Lost Due to Sickness Absence	9.5 days	10 days			8 days	The average number of days lost across Barnet Homes for 2005/2006 was 10 days (comprising 3.4 days due to long-term sickness and 6.6 days due to short-term sickness). This figure exceeds the target level of 9.5 days. However, as the average sickness level in 2004/2005 was 11.1 days this years figure represents an overall reduction in sickness of 1.1 days on last years performance (a 10% decrease in the number of days lost).

7. Independent Auditors Report

We have audited the financial statements on pages ... to These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. The other information comprises only Report of the Board, the Chairman's Message and the Chief Executive's message. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 March 2006 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

RSM Robson Rhodes LLP
Chartered Accountants and Registered Auditors

Hemel Hempstead, England

8. Financial statements**Profit and Loss Account for the year ended 31 March 06**

	Note	2006 £'000	As restated 2005 £'000
Turnover	2	27,836	26,325
Operating Costs	3	(27,623)	(26,137)
Pension Liability acquired	22	-	(2,405)
Operating Profit	4	213	(2,217)
Interest Receivable	5	285	194
Interest payable and similar charges		(10)	-
Other finance income		161	68
Profit on ordinary activities before taxation		649	(1,955)
Tax charge on profit on ordinary activities	9	(97)	(19)
Profit on ordinary activities after taxation		552	(1,974)

No operations were discontinued during 2005/06 and all operations are continuing beyond 31 March 2006.

**Statement of Total Recognised Gains and Losses
For the year ended 31 March 2006**

	2006 £'000	As restated 2005 £'000
Profit for financial year	552	(1,974)
Actuarial (loss)/profit on pension scheme	(810)	676
Total (losses)/gains for the year	(258)	(1,298)
Prior year adjustment	(1,342)	
Total losses recognised since last annual report	(1,600)	

**Balance Sheet
as at 31 March 2006**

	Note	2006 £'000	As restated 2005 £'000
Fixed Assets			
Tangible Assets	10	445	246
Current Assets			
Stock		25	-
Debtors	11	4,228	3,787
Cash at bank and in hand		3,163	1,566
		<u>7,416</u>	<u>5,353</u>
Creditors: amounts falling due within one year	12	(7,359)	(5,036)
Net current assets		<u>57</u>	<u>317</u>
Total assets less current liabilities		502	563
Creditors: amounts falling due after more than one year	13	-	(500)
Provisions for liabilities and charges	15	(12)	(19)
Net pension deficit	21	(2,046)	(1,342)
Net Liabilities		<u>(1,556)</u>	<u>(1,298)</u>
Capital and Reserves			
Profit and Loss Account	16	(1,556)	(1,298)
		<u>(1,556)</u>	<u>(1,298)</u>

The financial statements were approved by the Board on
and signed on its behalf by:

Trevor Renouf, Chairman

Mike Wiffen, Head of Finance

**Cash Flow Statement
for the year ended 31 March 2006**

	Note	2006 £'000	2005 £'000
Net cash inflow from operating activities	18	1,383	1,118
Returns on investments and servicing of finance			
Bank interest received		285	194
Taxation paid		-	-
Capital Expenditure			
Payments for tangible fixed assets		(47)	(246)
Receipts from sales of tangible fixed assets		5	-
Financing			
Loan from the London Borough of Barnet	19	-	500
Loan payments		(30)	-
Increase in cash in the year	19	<u>1,596</u>	<u>1,566</u>

Notes to the Financial Statements for the year ended 31 March 2006

1 Accounting Policies

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. The accounts comply, to the extent detailed below with the following new Financial Reporting Standard issued by the UK Accounting Standards Board.

Going concern

The accounts are prepared on a going concern basis. Due to the introduction of FRS 17 the Company's pension deficit of £2.0m is not recognised in full on the balance sheet. However, the London Borough of Barnet has fully guaranteed the Company's pension deficit at the point of its incorporation (on 1st April 2004) of £2.4m. In addition, the London Borough of Barnet has provided a letter of comfort to the Directors of Barnet Homes, setting out its intention to fund Barnet Home's ongoing operational cash flow requirements from the point of incorporation onwards via the timing of the payment of the agreed monthly management fee.

Turnover

Turnover represents the value (excluding VAT) of services supplied.

Grants

Grants received in respect of Resident Participation have been credited to the Profit and Loss Account in the same period as the expenditure to which they relate.

Tangible fixed assets and depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the costs on a straight-line basis over their expected useful lives with no charge in the year of acquisition as follows:

Vehicles, plant & equipment: 5 years
Furniture, fixtures and fittings: 5 years
Computer equipment: 3 years

Stock

Stock is stated at the lower of cost and net realisable value. Cost comprises direct materials only.

New accounting standards

The Company has adopted FRS 17 "Retirement Benefits" during the year. This represents a change in accounting policy and the impact of the adoption of this standard is set out in notes 16 and 21.

Pensions

During the year the Company operated a contributory defined benefit pension scheme covering its present and past employees. During the year FRS 17 "Retirement Benefits" became mandatory; this standard requires the net pension asset or liability of a company's pension scheme to be recognised in full on the balance sheet. Accordingly the full net pension liability has been recorded in the balance sheet of Barnet Homes Limited.

The regular service cost of providing pension benefits to employees during the year, together with the costs of any benefits relating to past service, is charged to operating expenses in the Profit and Loss Account in the year.

Interest on the pension scheme liabilities is charged to other finance costs in the Profit and Loss Account.

The expected return on the assets of the pension scheme during the year is based on the market value of the assets at the start of the financial year and is offset within other finance costs in the Profit and Loss account.

The difference between the actual and expected return on the assets of the scheme is shown in the statement of total recognised gains and losses for the year, along with any related movement in deferred tax.

The difference between the market value of the assets and the present value of the scheme liabilities is shown net of deferred tax in the balance sheet.

Taxation

The relationship between the Company and its parent undertaking has been recognised as one of mutual trading. Consequently, any activities the Company carries on with its parent are not liable to corporation tax.

Deferred tax is provided on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

2 Turnover

Turnover is attributable to the principal activities of the Company and arises solely within the United Kingdom.

	2006	2005
	£'000	£'000
Management fee paid by the London Borough of Barnet in respect of:		
Barnet Homes housing management and support services	18,359	16,817
Repairs and Maintenance Expenditure	8,683	8,414
	<u>27,042</u>	<u>25,231</u>
Capital Works carried out directly by Barnet Homes	680	1,034
Total income from the London Borough of Barnet	27,722	26,265
Other operating income	114	60
	<u>27,836</u>	<u>26,325</u>

3 Operating Costs

	2006	<i>As restated</i> 2005
	£'000	£'000
Housing Management and Support Services		
Costs apportioned by division		
Chief Executive's Service	1,055	713
Financial Services	2,291	467
Housing Services	5,867	4,460
Technical Services	2,377	2,564
Corporate Services	1,275	592
	<u>12,865</u>	<u>8,796</u>
Other costs recognised centrally – not apportioned by division	893	3,890
	<u>13,758</u>	<u>12,686</u>
Provision of caretaking and direct estates costs	4,502	4,170
	<u>18,260</u>	<u>16,856</u>
Repairs and Maintenance		
Costs relating to works carried out by Barnet Homes directly	3,833	3,077
Costs relating to works carried out by third parties	4,850	5,337
	<u>8,683</u>	<u>8,414</u>
Capital Works		
Costs relating to works carried out by Barnet Homes directly	680	867
Total	<u>27,623</u>	<u>26,137</u>

Costs apportioned by division includes those expenses charged directly to service activities in respect of wages and salaries paid to employees, employer contributions for pensions and National Insurance, and the cost of employing staff from agencies.

Included within Housing Management costs is £1,502,000 of pension service costs for the year (2005: £1,258,000).

4 Operating Costs

	2006	2005
	£'000	£'000
Housing Management and Support Services		
Operating profit is stated after charging/(crediting)		
Auditors remuneration – statutory audit	26	19
Auditors remuneration – for other services	2	3

5 Interest Receivable

	2006	2005
	£'000	£'000
Interest received on:		
Bank Deposits	285	194

6 Employees

The Average number of people employed by the Company during the year was:

Service	2006	2005
Chief Executive	12	13
Financial Services	13	10
Housing Services	238	200
Technical Services	56	71
Corporate Services	17	13
Repairs & Maintenance	63	55
Total	399	362

7 Employee Costs

	2006	2005
	£'000	£'000
Wages and Salaries	9,864	8,676
Social Security Costs	806	716
Pension Costs	1,504	1,559
Total	12,174	10,951

8 Directors

The Directors are defined as being the members of Barnet Homes Ltd's Main Board. None of the Directors received any emoluments but were entitled to reimbursement of incidental expenses incurred when attending Board meetings and other formal events in their capacity as Board members, which amounted to £2,732 in 2005/06 and loss of earnings which amounted to £2,089 in 2005/06.

9 Tax charge on profit on ordinary activities

		As restated	
		2006	2005
		£'000	£'000
Analysis of charge in period			
Current tax:			
UK corporation tax on profits for the period	73		-
Prior year adjustment on current tax	<u>43</u>		
		116	
Deferred tax:			
Net origination of timing differences	-		19
Prior Year adjustments on deferred tax	<u>(19)</u>		
		(19)	
Tax on profit on ordinary activities		<u>97</u>	<u>19</u>
Current tax reconciliation			
Profit/(Loss) on ordinary activities for the year		<u>649</u>	<u>(1,955)</u>
Theoretical tax at UK corporation tax rate of 30%		195	(586)
Less effects of:			
Unrelieved tax losses		-	6
- surplus from mutual trading activities		(109)	-
Marginal relief		(13)	-
Prior year adjustment		43	-
Capital allowances claimed in excess of depreciation		-	(25)
Movement on pension scheme liability		-	605
Other adjustments		-	-
Actual current taxation charge		<u>116</u>	<u>-</u>

10 Tangible Assets

	Vehicles, Plant & Equipment £'000	Furniture, fixtures & fittings £'000	Computer Equipment £'000	Total £'000
Cost				
At 1 April 05	14	166	66	246
Additions	-	36	229	265
Disposals	(10)	-	-	(10)
At 31 March 06	4	202	295	501
Depreciation				
At 1 April 05	-	-	-	-
Charge for year	3	33	22	58
Disposals	(2)	-	-	(2)
At 31 March 06	1	33	22	56
Net book value 1 April 05	14	166	66	246
Net book value 31 March 06	3	169	273	445

11 Debtors

	2006	2005
	£'000	£'000
Amounts receivable within one year		
Trade Debtors	46	100
Amounts owed by Parent undertaking	3,514	3,575
Other Debtors	502	-
Prepayments and accrued income	166	112
	<u>4,228</u>	<u>3,787</u>

12 Creditors: amounts falling due within one year

	2006	As restated
	£'000	2005
		£'000
Trade Creditors	2,073	1
Amount owed to parent undertaking	3,700	2,423
Corporation tax	116	-
Other taxation and social security	256	1,003
Other Creditors	164	-
Accruals and deferred income	1,050	1,609
	<u>7,359</u>	<u>5,036</u>

13 Creditors: amounts falling due after more than one year

	2006	2005
	£'000	£'000
Loan repayable to parent undertaking		
A loan was received from the London Borough of Barnet as part of the set up of Barnet Homes Limited. The loan is now due for repayment within one year of the balance sheet date, and is included in the amount owed to the parent undertaking in note 12.	<u>-</u>	<u>500</u>

14 Maturity of Debt

	2006 £'000	2005 £'000
Debt repayable to London Borough of Barnet after 5 years	-	500

15 Provisions for liabilities and charges

	2006 £'000	2005 £'000
Balance as at 1 April 2005	19	-
Deferred tax charge in profit and loss for the period	(19)	19
Outstanding insurance claims	12	-
	<u>12</u>	<u>19</u>

The deferred tax charge comprises:

Tax losses carried forward	-	(6)
Capital allowances in excess of depreciation	-	25
Removal of deferred tax provision due to change in tax status	(19)	-
	<u>(19)</u>	<u>19</u>

16 Profit and Loss Account

	2006 £'000
At 1 April 2005 as previously stated	44
Prior year adjustment	(1,342)
Retained reserves 2005 restated	(1,298)
Retained profit for the year	552
Actuarial (loss)/profit on pension scheme	(810)
Balance as at 31 March	<u>(1,556)</u>

The prior year adjustment arose from the introduction of FRS 17.

17 Related Party Transactions

Barnet Homes Ltd is a local authority controlled company of the London Borough of Barnet established with no share capital and limited by guarantee. The Council has delegated responsibility for overseeing the management and maintenance of its residential stock to Barnet Homes Ltd in accordance with the ten year management agreement effective from 1 April 2004.

The Council pays the Company a monthly management fee in accordance with that management agreement and any variations subsequently approved.

Barnet Homes has invoiced a total of £27,722,000 to the London Borough of Barnet relating to 2005/06.

This amount was made up of £18,359,000 for housing management and support services, £680,000 for capital works directly carried out by Barnet Homes Limited and £8,683,000 for repairs and maintenance cost.

Barnet Homes is responsible for the residential stock capital works programme. In the year ended 31st March 2006 Barnet Homes incurred expenditure of £24,171,396 which was invoiced to the London Borough of Barnet. The Cost and recovery of cost have been matched where the works have been carried out by third parties, only works carried out directly by Barnet Homes are reflected in the profit and loss accounts.

Barnet Homes Ltd utilised London Borough of Barnets' payroll system. Payments relating to payroll by the Council on behalf of Barnet Homes that was subsequently reimbursed in 2005-06 amounted to £7,238,287.56

London Borough of Barnet charged Barnet Homes Limited £4,665,235 in 2005-06 for provision of support services including office accommodation and stock issues from the Council's stores.

Barnet Homes was given a loan of £500,000 in April 2004, which is non-interest bearing.

As at 31 March 2006, Barnet Homes Ltd owed £3,700,000 in respect of expenses met and loans given by London Borough of Barnet and Barnet Homes Ltd was owed £3,514,000 by London Borough of Barnet.

18 Reconciliation of operating profit to net cash inflow from operating activities

	2006	As restated
	£'000	2005
		£'000
Operating profit	213	(2,217)
Depreciation charges	58	-
Increase in provisions	12	-
Loss on disposal of fixed assets	3	-
(Increase) in stocks	(25)	-
(Increase) in debtors	(411)	(3,787)
Increase in creditors	1,478	5,036
Pensions operating charge	1,502	1,258
Pension contributions paid	(1,447)	(1,577)
Pension liability acquired	-	2,405
Net cash inflow from Operating Activities	<u>1,383</u>	<u>1,118</u>

19 Reconciliation of net cash flow to movement in net funds

	2006	2005
	£'000	£'000
Increase in cash	1,596	1,566
Cash inflow from increase in loans	-	(500)
Movement of long-term loan to creditors falling due within one year	500	-
Change in net funds	<u>2,096</u>	<u>1,066</u>

20 Analysis of net funds

	2006	2005
	£'000	£'000
Cash at bank and in hand	3,163	1,566
Loan	-	(500)
Net funds	<u>3,163</u>	<u>1,066</u>

21 Pensions

The Company operates a multi-employer defined benefit scheme. The basis on which the net pension liability is recognised in the financial statements is set out in note 1.

A full actuarial valuation was carried out at 31 March 2004 and updated to 31 March 2006 by a qualified independent actuary.

The Company is currently contributing to the Scheme at a rate of 21% of pensionable salaries. For the year ended 31 March 2006, the Company contributed to the Scheme at a rate of 17% of pensionable salaries.

The major assumptions used by the actuary were (in nominal terms):

	31 March 2006	31 March 2005	31 March 2004
Pay increases	3.1%	2.9%	2.9%
Salary increases	4.6%	4.4%	4.4%
Pension increases	3.1%	2.9%	2.9%
Discount rate	4.9%	5.4%	5.5%

The assets in the scheme and the expected rate of return were:

	31 March 2006		31 March 2005		1 April 2004	
	7.4%	£'000	7.7%	£'000	7.7%	£'000
Equities	7.4%	15,779	7.7%	10,856	7.7%	8,748
Bonds	4.6%	2,576	4.8%	2,748	5.1%	1,875
Property	5.5%	2,011	5.7%	1,600	6.5%	1,267
Cash	4.6%	1,288	4.8%	890	4.0%	1,150
Total market value of assets	6.7%	21,654	6.9%	16,094	6.9%	13,040
Actuarial value of liability		(23,700)		(17,436)		(15,445)
Deficit in the scheme and pension liability		(2,046)		(1,342)		(2,405)

	31 March 2006	31 March 2005
	£'000	£'000
Analysis of amount charged to operating profit		
Service cost	1,502	1,258

	31 March 2006	31 March 2005
	£'000	£'000
Analysis of amount charged to financing of provisions		
Expected return on pension scheme assets	1,146	958
Interest on pension liabilities	(985)	(890)
Other finance income	161	68

Analysis of amount recognised in statement of total recognised gains and losses (STRGL)

	31 March 2006	31 March 2005
	£'000	£'000
Actual return less expected return on pension scheme assets	2,845	300
Experience gains and losses arising on the scheme liabilities	1	747
Change in assumptions	(3,656)	(371)
Actuarial (loss)/gain recognised in STRGL	(810)	676

	31 March 2006	31 March 2005
	£'000	£'000
Movement in deficit during the year		
Deficit in scheme at beginning of year	(1,342)	(2,405)
Movement in year:		
Current service cost	(1,502)	(1,258)
Employer contributions	1,447	1,577
Net return on assets	161	68
Actuarial gains/(losses)	(810)	676
Deficit in scheme at end of year	(2,046)	(1,342)

History of experience gains and losses

	Year to	Period to
	31 March 2006	31 March 2005
Difference between expected and actual return on assets (£'000)	2,845	300
Value of Assets (£'000)	21,654	16,094
Percentage of scheme assets	13.1%	1.9%

Experience gains and losses on scheme liabilities (£'000)	1	747
Total present value of liabilities	23,700	17,436
Percentage of scheme assets	0.0%	4.3%

Actuarial gains losses

Recognised in statement of total recognised gains and losses:	(810)	676
Total present value of liabilities	23,700	17,436
Percentage of scheme assets	(3.4%)	3.9%

22 Pension Liability Acquired

This charge has arisen due to the application of FRS17. The amount of £2,405,000 represents the pension scheme liability at 1 April 2004 (date of Barnet Homes Ltd's incorporation) in respect of those employees transferred from The London Borough of Barnet to Barnet Homes Ltd. As at incorporation there are no opening reserves the liability has been charged directly to the profit for the year in 2005. There is no impact on the results for the current year.

23 Post Balance Sheet Event (non-adjusting)

In May 2006 an announcement was made to employees relating to the Board's decision to close the Direct Operations department at the end of March 2007. At present, a reliable estimate of the financial effects of this closure cannot be made.

Highlights of 2005/6

Six pieces needed for front and back inside cover, including three pictures for each page.

Front inside:

Two teenage taggers signed off, May 2005

Two 13-year old graffiti taggers made a mark with a difference after signing acceptable behaviour contracts (ABC). The signing followed a sustained period of anti-social behaviour including persistent damage to property from graffiti spray by both boys. Staff from Barnet Homes' Dollis Valley Regeneration Housing Team worked closely with the Police and Barnet Council's Graffiti Co-ordinator to secure the outcome.

Champagne on tap for online resident, May 2005 (with pic)

Forget 'Who wants to be a millionaire!' Being the one millionth' user of the Barnet Homes website reaped rewards for Juliette Henry.

She logged onto our user friendly website to make a request for repairs - not expecting it to be dealt with so quickly. However, not only was her request dealt with promptly she won herself a bottle of champagne for being the one-millionth visitor to www.barnethomes.org.

Eastern Promise for Barnet Homes, June 2005 (with pic)

Barnet Homes played host to six senior housing professionals from Hong Kong on a visit to learn about social housing initiatives in the UK. The visitors, all from the Hong Kong Housing Authority visited Barnet to find out about the Right to Buy scheme. The study tour was part of their yearly visit to this country for the annual Chartered Institute of Housing Conference.

Fun time in West Hendon, July 05

Barnet Homes held an open day to give residents an opportunity to learn about local services and provide information on the resident's association, and recruit more people to the partnership panel. Activities included displays, information from resident's association stalls and freebies such as light bulbs and goodie bags.

7/24 for Barnet Homes Bloomers, Aug 05 (with pic)

Green fingered bloomers from Barnet Homes won seven out of 24 prizes at the 2005 Barnet in Bloom competition. Barnet Homes' residents and leaseholders placed highly in four out of the eight categories.

The competition, now in its fifteenth year attracted 57 entries over nine categories, comprising not only front gardens, but container gardens, balcony displays and public houses.

Stars of the silver screen, July 2005

A football coach, a tenant's representative and other friendly neighbours became the stars of a resident participation video.

The film shows new residents how they can influence decisions concerning the way their homes are managed. The cast was drawn from 270 residents who expressed an interest in taking part.

Back Inside

Residents support move to recycle, September 2005 (with pic)

Barnet Homes' residents pledged their support for efforts to save the environment by backing moves to site recycling facilities on three estates.

Easy to use and accessible recycling bins have been sited on three estates - Dollis Valley, Spur Road/Stonegrove and West Hendon. The initiative was made possible in collaboration with Barnet Council.

Love is in the air (with pic from Sep at home)

Marigolds, petunias, roses, geraniums, pelargoniums and evergreen bushes made a sheltered housing block the envy of neighbours and passers by.

Staff and residents of Derby House transformed a patch of grass wasteland at the front of their building into a new patio area called the 'Garden of Love'.

Fun at the Grange, Sep 2005

Innovative study, dance classes, sports, arts and craft make a difference to the lives of residents and young people on the Grange Estate.

Nearly 80 young people are reaping the benefits of having youth workers on the estate.

Xpress it! Fm kicks off, January 2005 (with pic)

DJs, station managers, jingle mixers and much more are in demand at Grahame Park Youth Centre with the launch of Xpress It! Fm, the community radio station. The £15,000 project saw young people on the estate working with Barnet Homes, the One Stop Shop, the Wright Community Development Trust, Barnet's Youth Service and Connexions and Barnet College to develop an internet radio station.

Apollo takes off, January 2006

Work on making decent homes a reality got underway for sheltered housing tenants at Moreton Close and Drummond House.

Our sheltered housing partners, Apollo London, fitted new double-glazed windows throughout and built new self-contained bedsits with bathrooms and kitchens.

Anti-social residents

Nine interim anti-social behaviour orders were made against people who subjected a Finchley family to a racially motivated attack.

Working together, Barnet Homes, Barnet Council and the Police were successful in taking legal action in a bid to protect the family.

Back cover

Our six business aims are

- to provide **excellent services** driven by **customer involvement**
- to bring all homes up to **decent homes plus** standard by 2010
- to provide services that meet the needs of all our **diverse & vulnerable** customers

- to develop **safe** sustainable & cohesive **communities** through partnership
- to develop a highly skilled, motivated and satisfied **workforce**, which is reflected in high quality services to residents, and
- to develop **new business** areas for Barnet Homes.

Usual strap information, translation statement etc

25th September 2006

Consultation feedback – Decent Homes revised scope of works

1.0 Statement of Purpose

1.1 To report on the outcome of consultation with residents on the revised scope of works for the decent homes programme.

2.0 Summary

2.1 This report covers the results of validation surveys sent to residents. A presentation will cover the outcomes consultation with Partnership Panels in September.

3.0 Recommendations

3.1 The Board note the outcome of the consultation of the tenants and leaseholders on the revised scope of works.

3.2 That the Procurement Sub Group receive further reports on the outcome of the technical survey and the DCLG funding proposals as and when received.

4.0 Financial & Risk Management Issues

4.1 There are no financial issues in the context of this report.

4.2 Failure to meet residents' expectations is a high risk for Barnet Homes and is identified in the risk register.

5.0 Resident Consultation and Equalities Issues

5.1 This report summarises the results of resident consultation.

6.0 Background Information

6.1 The Board on 31st July 2006 noted the work of the Procurement Sub Group in reviewing the progress of the decent homes programme – on the budget, cost and scope of works.

Revised scope

6.2 The Board on 31st July agreed to revise the scope of work as follows:

- Windows – replacing all timber, only 30% of steel windows, and not replacing low maintenance (aluminum and some steel)
- Doors – limiting the number of full renewals
- Kitchens – replacing those identified as failing decent homes standards
- Rewires – replacing installations where identified

- Local Rewire to Kitchen – wiring upgrade to all new kitchens
- Heating Full Systems – replaced where appropriate
- Boiler Replacement – to those that have reached the end of their expected life
- Roof – 5% of full stock numbers
- Bathroom – 5% of full stock numbers
- External decorations & repairs – 10% of full stock numbers

Aims of the Consultation & Communication Strategy

6.3 The Board agreed the following consultation and communication aims;

- To consult and communicate effectively on the future Housing Investment programme so all of our residents can benefit from a better quality of life
- Provide residents with the opportunity to influence the way forward
- To enable resident representatives to develop a clear understanding of the decent homes plus standard and programme
- To ensure residents, staff, directors and other stakeholders receive a consistent message and are kept fully informed in an open, honest and timely manner of the implications of the decision taken
- To promote the review exercise as good practice within the organisation to achieve value for money and efficiencies

Consultation methods with residents

6.4 From the face to face surveys findings we know that residents preferred methods for being informed are through newsletters and by letter. Residents requested regular updates on the programme through the AtHome newsletter. In addition our Tenant Compact requires that residents are consulted about the decision – the roles of the Area Partnership Panels include monitoring the Decent Homes Plus programme.

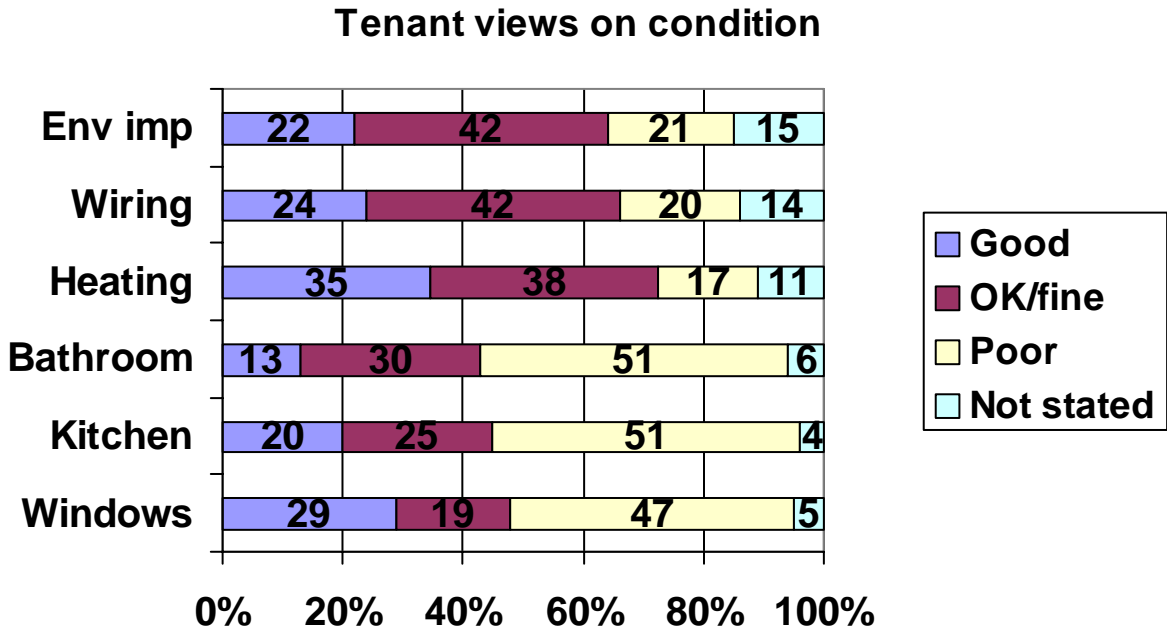
6.5 The Board therefore agreed that consultation with residents should involve:

- Validation surveys to be sent out to all residents in the 07/08 programme to collect information on resident priorities for works in addition to views on condition
- Resident representatives to be asked for feedback on the review decision for 2006-7
- Resident representatives will be consulted on
 - ◆ options for involvement in monitoring the programme for 2006-7
 - ◆ options for involvement in the review of the programme for year 3 and future years
 - ◆ the decent homes plus service standard
 - ◆ feedback from the validation surveys

Validation survey results for tenants

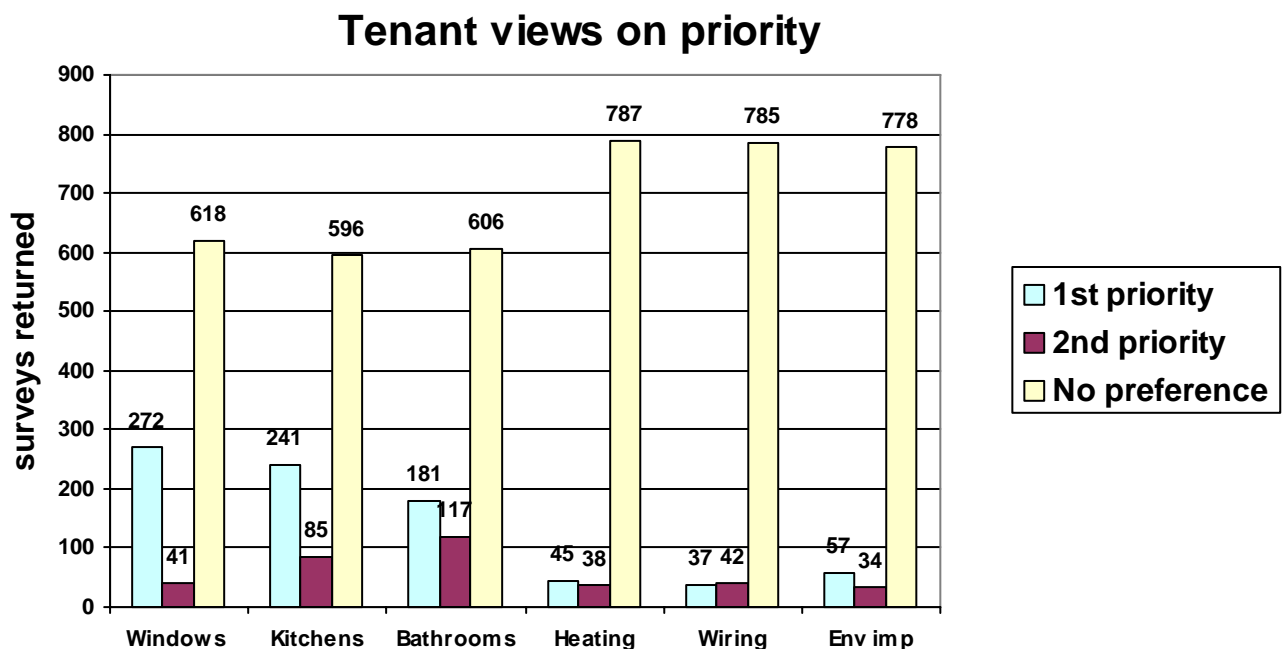
6.6 At the time of writing 1004 validation survey questionnaires had been returned out of a total of 2133 dwellings in the 2007/8 programme – this represents a response rate of 47%.

6.7 Residents were firstly asked to comment on the condition of the main elements of their homes:

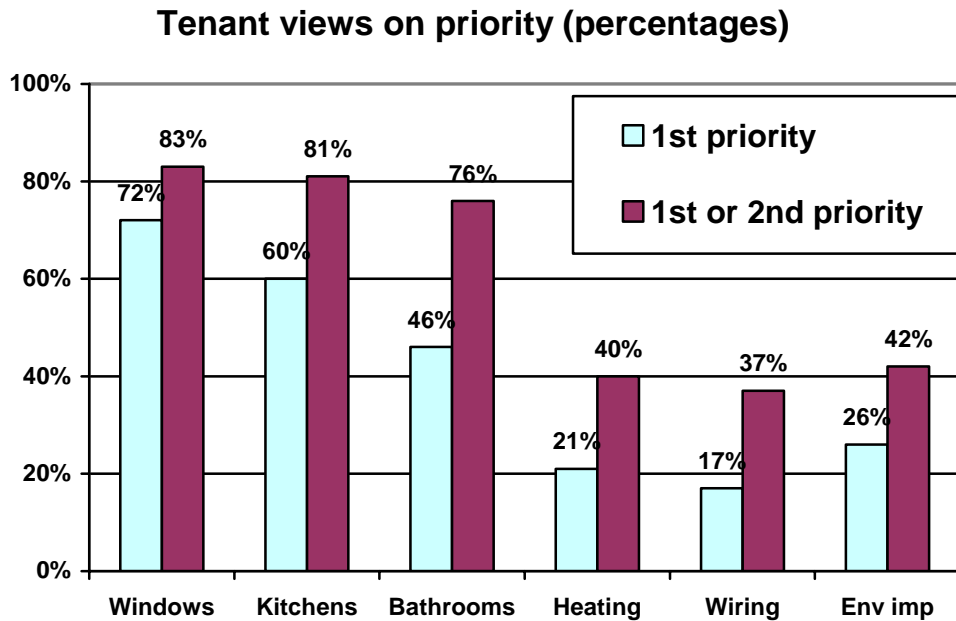


6.8 The graph shows that in overall terms residents ranked windows, kitchens and bathrooms very similarly in terms of being poor. However significantly more residents assessed their windows as being good than these two other elements.

6.9 Tenants were also asked to prioritise what was most important to them. The response to this question was considerably lower. The following graph shows the **number** of surveys returned – for example 272 tenants gave windows as their first priority, 41 as their second priority while 618 did not complete this section or state a preference. The first two preferences are shown.



6.10 The next graph shows the **percentage (over 73% did not prioritise the work)** of tenants responding who ranked an element as first priority or second priority (ie the 2nd priority has been added to the first to give a combined total). Of the 27% who did, 71% of tenants ranked windows as their first priority and if we add those who stated windows as their second priority this rises to 82%, kitchen replacement is assessed at 81% and so on.



6.11 The two graphs show that windows are the first priority for tenants, with kitchens and bathrooms somewhat lower.

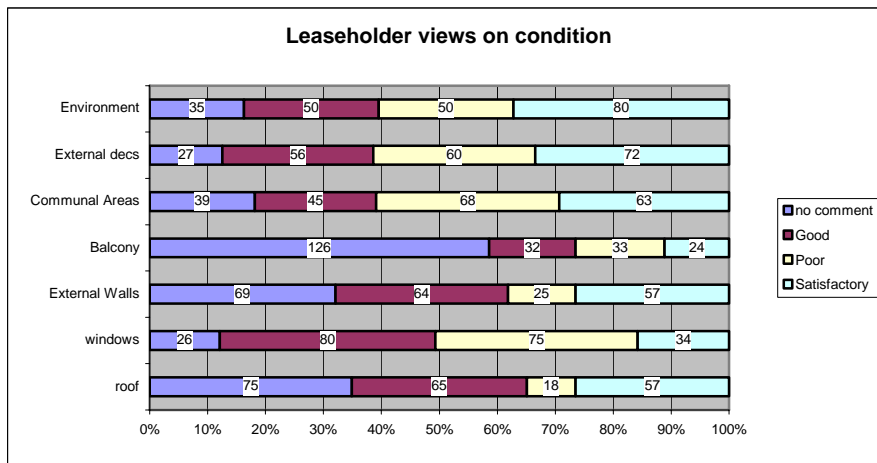
Consultation with Partnership Panels

6.12 Feedback from Panels will be covered in a presentation to the Board.

Validation Survey results from Leaseholders.

6.13 At the time of writing 215 validation surveys questionnaires have been returned out of a total of 878 dwellings in the 2007/08 programme – this represent a response rate of 24%.

6.14 The Leaseholders were asked to comment on the external envelope of the property and results are shown in the graph below.



6.15 The graphs show that only one third considered that their windows were poor. The other significant figures relates to the communal areas and external decorations where less than a third of leaseholders considered that these are in poor condition.

6.16 Although Leaseholders were asked for their priority within the external envelope, very few made a choice.

6.17 Conclusion

Based on the returns so far:

- Tenants say that bathrooms, kitchens and windows are poor. The impact of the revised scope will mean that fewer windows are replaced. However, although tenants identified windows as poor this will not always mean that they fail Decent Homes standard. The Decent Homes failure will be identified by the technical surveys which are underway and will be available in December 2006. The proposal for kitchen replacement should address all those that fail Decent Homes and meet residents' needs. Over 50% of the residents that have responded have said that their bathrooms are in poor condition. The revised scope will provide for far less replacements than this.

To respond to tenants wishes, Barnet Homes and its partner Contractors could offer flexibility of choice between bathrooms and kitchens subject to meeting Decent Homes being the prime objective for investment. The current budget does not allow for an extensive window programme but officers have been requested to look at options to fund a window programme in future and report back to the Procurement Sub Group.

- Leaseholders say in 65% of returns that their windows are not in poor condition and that the external envelope is also in reasonable condition and in similar proportions that the communal areas are not poor. The external decorations are satisfactory or good in 61% of the returns. Although the Leaseholder return rate is lower than the tenant response their replies suggest that they expect less investment than tenants.

To respond to leaseholders issues, Barnet Homes will need to demonstrate that the investment is needed to maintain the fabric of the blocks that the works is of good quality and is value for money.

Author: Peter Headland – Service Development Manager

Date: 11th September 2006

Chief Executive Officer Approval:

Date:

25th September 2006

Priority 3: Update on Customer Care and Equalities & Diversity

1. Statement of Purpose

- 1.1 Customer Care is one of the five key priority areas identified by the Board for 2006/7, and equalities and diversity practice is integral to this.

2. Summary

- 2.1 This report seeks to provide both for customer care and equalities an understanding of the main challenges, our current position, and the current projects and development issues to achieve excellence. The annual report for complaints 05/06 is included. The report also sets out proposals for the revision of the equalities and diversity policy.

3. Recommendations - The Board is requested to:

- 3.1 Note progress made and the proposed priorities for 2006/07.
- 3.2 Consider the development areas identified in 6.1.9 and 6.2.13
- 3.3 Note the complaints annual report for 2005/2006 and the positive work going on in this area in appendix 1.
- 3.4 That a position statement on the Disability Equality Duty is approved by the Strategic Steering Group.
- 3.5 Agree the draft equalities and diversity policy attached as appendix 2, and the approach and timetable for updating the policy and action plan in paragraph 6.3.5 - 6.3.9

4. Financial & Risk Management Issues

- 4.1 Failure to deal with customer contact in a professional and robust manner will generate higher levels of customer contact, which will have cost implications in terms of customer satisfaction, increased volume of complaints and a requirement for additional resources.
- 4.2 Failure to make sufficient investment in customer care in terms of training, IT and managerial commitment, will potentially cost the organisation dear affecting customer and staff satisfaction, reputation as well as having budgetary implications.
- 4.3 A key theme of equalities is knowing who our customers are and understanding and meeting their needs – this underpins good customer care.

5. Resident Consultation and Equalities

Covered within the report.

6. Background

Customer Care

Customer care KLOE

- 6.1.1 The Audit Commission have developed a KLOE on access and customer care in housing. This is also an overarching issue, which forms an element of each of the KLOEs the Audit Commission use.
- 6.1.2 Staff are currently preparing a detailed self-assessment and gap analysis against the KLOEs. These will be subject to an internal self-assessment exercise in October 2006, and will be reported to the board in November. This report sets out some of the main development issues in achieving excellence in customer care.

What is Customer Care?

- 6.1.3 Core principles for customer care are:
- Residents will be able to find and access the information, advice and services they need – whether by phone, in person, through third-parties, or self service/electronic means – and get timely high quality responses with information and advice that they are able to understand.
 - Residents will be dealt with politely, shown care and dignity, have options explained openly and constructively, and will be informed of progress.
 - Residents will be offered services that take into account their needs, circumstances and any barriers they might face.
 - Residents will find it easy to complain and get things put right when the service they receive is not good enough.

What are the customer care challenges?

- 6.1.4 The key challenges are:
- An increasingly diverse customer base with a variety of needs, lifestyles and working patterns
 - A rise in people's expectations of public services in general coupled with budgetary constraints
 - The need to respond to increasingly demanding social, economic and environmental challenges, particularly in supporting the most vulnerable
 - An aging population with far reaching implications for the services we provide

- Developments in technology and communications to improve the way services are delivered.

Where are we now on customer care?

a) What we currently have in place

6.1.5 We currently have in place

- The merged Customer Care Contact Centre
- The Centralised Complaints Handling and Monitoring Team
- The Customer Care Group
- The People First Initiative
- The Customer Care Training Programme
- Management Training Programme
- The Customer Care Standard toolkit (CCST)
- Quality Assurance checks based on the CCST
- Customer Services Leaflet
- The Service Development Team
- Customer Satisfaction surveys – face to face surveys, internal service specific telephone surveys, constructor partner customer satisfaction cards on completion of works
- Mystery shopping initiatives
- Talk2Us – complaints, compliments and suggestions leaflets and on-line option
- The QA procedure flow chart process

Where are we now on customer care?

b) What do our customers think about us/How do we compare?

6.1.6 Key findings include:

- The face-to-face survey in November 2005 identified that 78% of tenants are satisfied with the overall service provided. This is one of the highest rankings (2nd) for London ALMO's (Housemark Benchmarking report 2005/6 - draft).
- 91% of tenants found staff to be helpful
- Our own in house surveys identify high levels of satisfaction. For example satisfaction with the responsive repairs service is currently at 95% for contractors and 98% for staff.
- Complaints – 2005/2006 performance did not achieve target and this was reflected in the MRUK survey [covered more fully as part of the complaints report] – appendix 1

Key customer care projects in 2006/7

6.1.7 Current projects to help achieve excellence are:

- **Contact Manager** – CM Super-user group established, trained and meeting monthly to address system developments, faultfinding, training and provide general support. All other stand-alone systems will be taken off line on 1 October in order to streamline customer contact and provide an outstanding seamless service.
- **Barnet Homes Customer Contact Centre** – The RRC and HMCSC restructure is now complete. The merging of the 2 separate call centres is underway and due to be completed by the end October although generic training will be an ongoing process as the service and the organisation develops and evolves.
- **Customer Care training** – The first round of the customer care training involving 2 ½-day sessions based on the Mary Gober Psychology of Service; 'Who are your customers' and 'Effective Communication' is near completion. Further sessions tailored more to specific areas such as telephone techniques and letter-writing skills are in the planning process.
- **Quality Assurance** - It is intended that the Barnet Homes Customer Care Standard be re-launched. PI's will be introduced targeting managers with returning assessments based on the nature of their teams customer interaction; face-to-face, letters, telephone calls (PI's assessments returned, quality of performance). Correspondence QA checks are being piloted by the CC group.
- **Mystery Shopping** – A pilot currently underway using 'miss-directed' calls across the organisation. Barnet Homes are also part of a London and South East ALMO's Customer Care group mystery shopping partnership pilot.
- **Customer Satisfaction surveys** – These are being carried out within the various service areas with plans for the future centralise the process to enhance consistency and to ensure objectivity.
- **Correspondence inc. VIP Enquiries** – Process centralised within in the Barnet Homes Contact Centre. All letters and emails received, logged, re-assigned and monitored for timeliness and quality of response through Contact Manager.
- **Complaints** – As correspondence centralised in BHCC. 'Due within 7 days' reports and 'out of time' reports being produced for staff and line managers. Complaint action plan developed. First annual report being produced. Stage-3 complaints panel being set up and trained ready to sit early October. Regular complaint performance agenda items at SMT and team meetings. Complaint related articles for inclusion in each edition of At Home – what we have learned or changed as a result of your feedback. IDT complaint forum established and meeting monthly. Complaints roadshow round 1 near completion, round 2 being developed.

6.1.8 Other priority projects for 2006/7 are:

- Further development of Contact Manager

- Call recording – Quote being sought to provide call recording organisation through the new LBB Cisco Systems corporate telephony system.
- External Customer Care Training programme – Mary Gober
- External Mystery Shopping programme
- External Customer Satisfaction Surveys

Development areas to achieve excellence

6.1.9 Taking into account what the inspectors expect, our principles, current projects and where we are now we still need to undertake improvements to achieve excellence. The main issues are:

- Complaint handling – Good progress made over recent months but still work to do
- Quality Assurance – mystery shopping, service specific customer satisfaction surveys, accreditation – processes developed but investment in staff and financial resources are required in order to implement fully
- Customer feedback to be consistently driving service improvement
- IT system developments – investment required

Equalities & Diversity

Diversity KLOE

6.2.1 The Audit Commission have a Diversity KLOE - this has been amended and is currently subject to consultation. Again similar to customer care this is an overarching issue, which forms an element of each of the KLOEs the Audit Commission use.

What is equalities and diversity?

6.2.2 Equality principles underpin customer care.

6.2.3 The Audit Commission stress in particular for diversity the importance of:

- “Knowing your customers” – having evidence of how are customers are and how we have responded to their needs
- Delivering a fair and equal service

What are the equality and diversity challenges?

6.2.4 These are covered in para 6.1.4 and 6.2.3.

6.2.5 It is also important for the workforce to be broadly reflective of our customer profile.

Where are we now on equality & diversity?

a) what we currently have in place

6.2.6 The Board agreed an equalities and diversity policy in July 2004. This included consultation with residents, community groups and staff. The Audit Commission commented favourably on our Equalities and Diversity policy and stated that:

“There is a clear equalities and diversities policy to move the organisation forward”

“Services are focussed on users and reflect the needs of a diverse community”

6.2.7 There are many examples of excellent equalities practice in Barnet Homes for example:

- We have a Barnet Homes Equalities Group chaired by the Chief Executive
- Comprehensive forms of involvement based on tenants preferred options for getting involved
- Face to face surveys are an opportunity to hear the views of all our customers
- Tenant profile information and knowing our customers
- Translation and interpretation service
- Accredited Nuisance team providing quality services to residents experiencing harassment
- Improved response to domestic violence
- Dedicated occupational therapist and adaptations programme operatives
- Help for elderly and vulnerable people to maintain their independence through sheltered housing and lifeline services (4900 tenants)
- Adaptations for disabled tenants (over 500 tenants last year)
- Housing support service for vulnerable people (208 tenants)
- Using new tenant visits and tenancy audit to find out if residents need additional support
- Gardening scheme for elderly and disabled tenants (380 tenants)
- Decorating and minor improvement schemes for elderly and disabled tenants (486 tenants)
- Preventative rent arrears work and financial inclusion projects including energy efficiency advice.

Where are we now on equality and diversity?

b) What do our customers think about us/How do we compare?

6.2.8 There has been a step change in BME tenant satisfaction with our overall service, which is now as high as other non-BME tenants (78%).

This was an issue the Audit Commission flagged in the last inspection and the progress made is a real achievement although we should wait to see this years face-to-face survey results to be certain of a continued positive trend. Most other social landlords face a gap in the satisfaction between BME and non-BME tenants.

- 6.2.9 Satisfaction of disabled tenants is broadly similar to other tenants and a specific survey of these tenants is being carried out as part of the face-to-face surveys this autumn.

Key equalities and diversity projects in 2006/7

- 6.2.10 Key projects to work toward excellence identified by the Barnet Homes Equalities Group grouped under business aims are:

Overarching

- **Evidence that we know who our customers are and meet their needs** – the Equality Group has brainstormed this and PI's have been set on collection of profile information
- **Ensuring offices are compliant with the Disability Discrimination Act** – this will be achieved once office moves are complete

Excellent services driven by customer involvement

- **Ensure we comply with the CRE Code of Practice in Housing** – joint meetings have been held with LBB and actions included in the equalities and diversity action plan
- **Equalities analysis of complaints** – see complaints annual report
- **Disabled tenant survey** – approach agreed with DabB and agreed to include as part of the face-to-face surveys (should involve up 200-300 disabled tenants)
- **Develop the Resident Participation database to capture residents preferences for involvement** – database amended and relaunch to take place as a "Sounding Board"

Developing services that meet the needs of all our diverse and vulnerable customers

- **Develop vulnerability strategy and develop a forum** – strategy currently being drafted and proposals for a forum in the autumn
- **Comprehensive involvement with community groups** – initiatives in place with Somali groups and DabB for example
- **Develop service provision for non secure residents** – focus groups held and action points included in Housing Services operational plan for example exploring furnished lettings
- **Impact assessments across the organisation** – revised draft methodology developed, training planned for managers in autumn

Decent homes

- **Modernisation of sheltered schemes** – two schemes in programme for 06/07
- **Develop repairs service to meet the needs of older residents** – focus groups planned 06/07
- **Adaptations review** – programmed for 06/07 and underway with the council

Developing safe, sustainable and cohesive communities

- **Develop sustainable communities strategy** – approach agreed with BHCP and currently being considered by Panels
- **Develop initiatives to involve young people** – number of examples such as at Stonegrove/Spur Road and the Grange – youth strategy to be developed as part of the overall Sustainable Communities Strategy
- **Gardening projects for residents** – successful projects held this year and health and safety training organised

Develop a highly skilled, motivated and skilled workforce

- **Equalities awareness training** – training for managers programmed for the autumn and then to be cascaded across the organisation
- **Equalities monitoring on workforce, recruitment, training and appraisals** – SAP being used to collect monitoring information
- **Develop proposals to achieve accreditation as a positive employer of people with a disability** – still to be progressed
- **Equal pay review** – included in proposed internal audit programme for 07/08

Development areas – new legislation

6.2.11 Equalities and diversity practice over recent years has been subject to regular and challenging developments guidance and legislation. This presents a challenge given the staffing resources in the Service Development Team.

6.2.12 New legislation and implications include:

- **Race Relations (Amendment) Act 2000** places legal duties on local authorities and other public bodies with a requirement that every public authority must publish a Race Equality Scheme (RES). Barnet Homes adopted Barnet Council's Race Equality Scheme for 2004/5 and our policy stated we would produce a dedicated Race Equality Scheme for Barnet Homes. However to ensure a co-ordinated focus to equalities we have incorporated this within the overall equality and diversity action plan with specific race equality issues highlighted on the action plan rather than producing a separate scheme

- **The Disability Equality Duty.** This places similar legal duties on all local authorities and public sector organisations in relation to meeting the needs of people with disability and has to be in place by 5th December 2006. It places focus on the quality of consultation and the depth of engagement with local people with disabilities in developing the duty, as well as the importance of meaningful outcomes. We have highlighted issues related to the Duty in the equality and diversity action plan, as we have similarly done for the RES. We would continue with this holistic approach to equality and diversities issues.
- **The Gender Equality Duty.** From April 2007 the new Gender Equality Duty will require local authorities and public sector organisations to design their policy, employment and services with the different needs of men and women in mind. These proposals will require public authorities to eliminate discrimination and promote equality of opportunity between men and women. We would be consulting with our colleagues in LBB towards the end of the year, in developing a response outlining our approach to this duty.
- **Employment Equality (Age) Regulations 2006.** These regulations are due to be implemented in October 2006 and will outlaw unjustified discrimination on the grounds of age in all aspects of employment and vocational training.
- **The Commission for Racial Equality (CRE) new statutory code of practice in housing.** The new code is intended to replace the statutory codes of practice in rented and non rented housing, issued by the CRE between 1990 and 1991. The code makes recommendations on the practical steps that all housing organisations need to take to prevent unlawful racial discrimination or harassment, and to ensure equality of opportunity and good race relations in housing (for example by the Race Relations (Amendment) Act 2000). Following the final publication of the Code of Practice, Barnet Homes and LBB have compiled an action plan on a review of our approach to and handling of Racial Harassment incidents. Key tasks to be progressed by Barnet Homes have been included in the equality and diversity action plan.

Development areas to achieve excellence

6.2.13 Given what the inspectors expect, our current projects, new legislation and where we are now we still need to undertake improvements to achieve excellence. The main issues are

- The need to pull together consistent and comprehensive equalities data on all residents, which is used across the organisation to deliver services, tailored to the needs of individuals
- More systematic evidence gathering of how we have responded to needs

- Closer monitoring by the Board of the equalities and diversity action plan
- Raising awareness of equalities and diversity throughout the organisation
- Carrying out equalities impact assessments across all service areas
- Achieving best practice on equality issues as an employer – monitoring of all employment issues, response to the disability duty, equal pay review
- Developing with residents a strategy for consultation with community groups

Updating the equalities and diversity policy and action plan

6.3.1 The Strategic Steering Group 19th June 2006 agreed a report setting out our approach to updating the policy and a draft action plan. The action plan was built up through a two-way process with bottom-up compilation of tasks within the service area operational plans as well as top-down integration of key equality issues on new legislation, Equality Standards for Local Government Action Plan and provisions for meeting the Audit Commission's Diversity KLOE.

6.3.2 The Steering Group noted the importance of the Board having ownership of the policy and a revised draft is attached as appendix 2.

6.3.3 The policy in appendix 2 remains largely unaltered but has been updated for issues such as:

- New legislation (see para 6.2.12)
- Changes to the roles and responsibilities
- Progress on meeting the Local Government Equalities Standards

Monitoring the action plan

6.3.4 As part of the development of the Business Plan the Board agreed arrangements for monitoring equalities and diversity compliance. The Strategic Steering Group provides the lead cross-cutting service issues such as equalities and diversity and we are proposing a greater role in agreeing an annual action plan (see para 6.3.8). Each sub-group for their respective area monitors the implementation of the equalities and diversity action plan as part of the business plan monitoring reports. The Strategic Steering Group will take a lead on monitoring the business aim of "providing services that meet the needs of all our **diverse and vulnerable** customers". Reporting on the Equalities action plan did not work as well as expected in 2005/6, therefore it is now included as part of the business plan reporting.

Consultation & Timetable

- 6.3.5 There are different requirements for consultation on the policy and the action plan.
- 6.3.6 We carried out consultation on the action plan this year with:
- staff – through staff briefings and a critical challenge meeting from which a number of suggestions were included
 - the Barnet Housing Consultative Panel, who supported the action plan.
- 6.3.7 It is recommended that the equalities and diversities **policy** is revised by the **Board** every 3 years or earlier if there are key changes in legislation. This year's policy is mainly minor updating and further consultation is not proposed.
- 6.3.8 It is recommended that on a yearly basis the **Strategic Steering Group** agree a **strategy**, which contains tenant profile information, responses to customer feedback and an action plan against objectives. The action plan would involve two way planning and monitoring by sub groups as set out in para 6.3.4. There would be targeted consultation with residents and community groups on the plan.
- 6.3.9 There is also a requirement to produce a position statement on the Disability Equality Duty by the 5th December 2006, and it is recommended that this is approved by the Strategic Steering Group . The Board is asked to agree the following timetable and consultation.

Date	Group	Action
25/9/06	Board	Update equalities & diversity policy
16/10/06	Strategic Steering Group	Position statement on the Disability Equality Duty
April/May every year	Strategic Steering Group	Update equalities & diversity strategy including action plan, with consultation
Every three years (next Oct 09)	Board	Board revise policy every three years (or sooner if key legislative changes)

Authors: Jacky Nelson - Customer Care & Quality Manager
Peter Headland - Service Development Manager
Date: 12th September 2006

Approved by Chief Executive
Date:



COMPLAINTS

ANNUAL REPORT

2005/2006

Foreword

As Chair of the Complaints Review Panel, I am pleased to present our Annual Report on complaints for the past year.

The work of the panel is to oversee complaints handling, identifying trends and make appropriate recommendations.

We continue to welcome complaints, compliments, comments and suggestions, and value the opportunity these offer for Barnet Homes to learn lessons and improve our services.

I would like to thank all those who took the time to contact us to enable us to address their concerns.

May I also thank all staff who have taken the time to listen to and deal with complaints raised, and for their professional approach and commitment to achieving a satisfactory outcome.

Jacky Nelson
Customer Care and Quality Manager

Introduction

Barnet Homes is committed to delivering an excellent and improving service by involving residents in service delivery and listening to their complaints. During the year we updated our IT system to improve our records for the future. Unfortunately, as a result, the information from previous years is not comparable below the headline figures.

Complaints this year

During 2005/2006, Barnet Homes received a total of 959 complaints, which was a 35% drop from the previous year when 1479 were received.

The chart below shows the number of complaints received over the past year from 1 April 2005 by stage in the complaints procedure.

Subject	2005-06	Justified	%
Talk2Us - Stage 1	931	632	67.88%
Talk2Us - Stage 2	25	8	32.00%
Talk2Us - Stage 3	3	0	0.00%
Grand Total	959	959	66.74%

The number of complaints continues to be low, considering the volume of contacts Barnet Homes staff have with residents.

For example, in the past year:

- We carried out 40,000 repairs
- Over 11,000 individual properties were visited for gas servicing; new letting transfer visits, rent arrears home visits.
- Over 2,500 sheltered and supported homes were regularly visited by support services, many of them daily
- In excess of 77,156 telephone contacts of which 4,156 were taken out of hours through the Lifeline Centre
- Over 800 homes were made decent

Furthermore, all expressions of dissatisfaction are recorded irrespective of whether they were complaints, general feedback or mentioned in passing in the process of requesting a service, for example a leaseholder who made contact to complain about service charges but mentioned that the landing light had been out of order.

The light failure had not been reported before and should therefore have been recorded as a service failure rather than a complaint. Our IT system is being amended to enable us to separate service failures such as this from complaints to ensure that they are captured and fed into the various service improvement forums.

Response Times

All complaints that we receive are acknowledged within two working days and we strive to investigate and respond to them within a ten working day target period.

However, due to the complexity of some complaints, this is not always possible. In this year 73.36% of complaints were responded to within the timescale, against a target of 90%. This is unacceptably low and we have developed an action plan to improve our performance in 2006/07 to achieve at least 90% of complaints responded to within the target of 10 working days.

What people complained about

As in previous years, the top three subjects of complaint this year were quality of work/service, delay in service delivery and lack of response.

However, it is encouraging that the number of complaints for each of these service areas has reduced along with complaints about staff attitude. This reflects the significant role of our ongoing Customer Care and Complaints Handling training.

Service Area	Total Received In Year Due For Response			
	Due for Response Stage 1	Due for Response Stage 2	Due for Response Stage 3	Due for Response Grand Total
Actions/Attitude of staff/contractors	84	6	1	91
Cost	6	2		8
Customer Care	48			48
Delay in service	196	3		199
Lack of response	129	3	1	133
Missed appointment	113			113
Policy	14	3		17
Quality of service	204	6	1	211
Quality of Work	137	2		139
Grand Total	931	25	3	959

We track complaints by service area and unsurprisingly the greatest number of complaints were about repairs which corresponds with it being the greatest single area of contact with residents. Last year we changed the way we collected complaints and, as we said earlier, we recorded some repair requests as complaints, which increased the overall number and showed a poorer position than actually occurred.

Complaints Received By Service Area Table

Service Area	Total Received In Year Due For Response			
	Due For Response - Stage 1	Due For Response - Stage 2	Due For Response - Stage 3	Due For Response - Total
Central				
Finance	2	1		3
Resident Participation	2			2
Sub Total: Central	4	1	0	5
Housing Services				
Anti-Social Behaviour	15	2	1	18
Caretaking	7			7
Estate services	49	2		51
General leasehold management	7	3		10
General tenancy management	5	2		7
Housing customer service call centre	3			3
Neighbourhood Management	35	3		38
Regeneration	33	7		40
Rental Income	21	1		22
Sheltered Housing	11			11
Supporting People	2			2
Voids and Lettings	12		1	13
Sub Total: Housing Services	200	20	2	222
Technical Services				
Customer Care	1			1
Gas	60	1		61
General Repairs	553	2	1	556
Investment programme	105	1		106
Standby	8			8
Sub Total: Technical Services	727	4	1	732
Grand Total	931	25	3	959

Complaints received by ethnicity, disability and age

To provide a fair and equal service is one of Barnet Homes key aims. The information which we extracted from the complaints profile shows the following

Complaint by Ethnicity

Ethnicity	Tenant Profile	Complainant Profile
Asian	7%	13%
Black	12%	18%
Mixed	1%	2%
Other	2%	20%
White	77%	46%

The profile of complainants from this review shows that non white complainants have made more complaints have made more complaints which is consistent with our earlier Face2Face survey return.

Disability

The disability profile of tenants show that 33% have a disability. Of the residents complaining, 14% have a recorded disability. Residents with a disability have complained less than others but we will need to test this over time to ensure that when they need to complain, the access to complaints is appropriate for them.

Age

The proportion of older people complaining is very low at only 4% of complainants and is consistent with earlier finding that older people complain less and are generally more satisfied with the service than younger people.

If People Are Dissatisfied

Sometimes people are not happy with the outcome of our investigation into their complaint. Within the letter of response to complainants, we explain the next step if the resident is still dissatisfied. Last year 25 (0.3%) complainants contacted us to tell us they were not satisfied and their complaints were reviewed by a senior manager (Stage II).

For those people who remain dissatisfied, there are two further options open; they can request an escalation of their complaint to Stage III for a review by the Chief Executive, London Borough of Barnet, and they may also approach the Ombudsman.

Over the past year there were 3 complaints escalated to Stage III. A total of 6 approached the Ombudsman to investigate their complaint.

Ombudsman Investigations

The Ombudsman investigates complaints when the complainant is still dissatisfied with the response. Nine complaints were investigated. They were as follows:

- Leaseholder complaint about major work service charges.

Raised incorrectly and subsequently removed from the account (Sanchez-Cabenzudo)

- A tenant complained about insufficient priority awarded to her for transfer request (Shakib)
- Complaint from tenant about unreasonable delay in transfer (Lewin)
- Complaint about racial harassment and a transfer request (Henderson)
- Tenant complained about noise nuisance from the flat above and that Barnet Homes had failed to take effective action (Theophilus)
- Noise nuisance from neighbour, £500 local settlement

Compliments

While we accept that we do get things wrong, we receive an increased number of letters of expressions of appreciation and thanks to acknowledge the excellent services provided. Previously, we did not capture expressions of appreciation, but we recognise that expressions of appreciation give a balanced view of the services and help motivate staff.

All written expressions of appreciation are acknowledged in writing as it important for those taking the time to commend various aspects of the service understand how valuable feedback both good and bad is to the organisation.

Over 153 compliments have been received since we started to record them during 2005/06.

Satisfaction with Complaints Handling

For the past two years in our Face2Face surveys we have asked residents how happy they were with our service and with the way we deal with complaints. The latest survey from September 2005, shows that 78% of tenants are satisfied overall with the service they receive from Barnet Homes. The majority of all tenants – 93%, feel that the service from Barnet Homes has either stayed the same or improved. Over 92% of tenants surveyed had no cause to make a complaint. Of the 7% who complained, 64% responded that they had received a reply, but only 30% were satisfied with the handling of their complaint. Out of those who had made a complaint 31% were satisfied with the outcome.

Also the repairs service routinely surveys complainants and these results show much higher levels of satisfaction. The satisfaction with the service is 98%. It is possible that the low levels of satisfaction seen in the Face2Face surveys are a combination of a small sample size and an historical bias in the responses.

Improvements Following Complaints

We use complaints to learn lessons and improve our services. A number of improvements have been put in place over the year following complaints. Here are some examples:

1. Estate Based Repairs

As a result of complaints from leaseholders about inaccurate service charges for communal repairs...

- We now run daily reports for all communal repairs to ensure accuracy with service charges.
- To prioritise and coordinate estate repairs an Estate Repairs Manager has been appointed. This officer will also ensure that work carried out is to a high quality.

2. Decent Homes Investment

Due to the nature and type of complaints about the Decent Homes work, we have set up a complaints forum that meets monthly. Forum members including a tenant who has experienced the works. We work closely with the three main contractors (United House Ltd, Balfour Beatty and Apollo) to ensure they have a consistent customer care culture throughout their workforce. It is vital to improving our service that our business partners are aware of Barnet Homes complaints and customer care policy and timescales. Our service improvements include:

- an agreement that the Resident Liaison Officers (RLOs) will visit all properties in progress on a daily basis. This helps to prevent any minor problems escalating.
- We have agreed that the RLOs may share our language line account to make it easier for residents who do not have English as a first language to understand the process.
- The Barnet Homes Customer Liaison Officer and the Contractors' RLOs are meeting on a weekly basis to monitor progress on outstanding complaints.

3. Developing Staff

To ensure that complaints are closely monitored and recorded, a complaints process road show has been developed organisation-wide, with three main aims:

- a To raise awareness
- b Importance of complaints in delivering an excellent service
- c How to use Contact Manager (our in-house IT system)

We continue to promote the benefits of dealing with complaints effectively, at the point of contact and with a positive approach.

Monthly Customer Awareness and Complaints Handling Training continues for existing Barnet Homes staff and for new staff at

induction. Training at team meeting level was also reintroduced with a reasonable take-up over the past year.

Over 100 staff attended the Customer Awareness and Complaints Handling Training in 2005/06.

4. Developing the Service

All managers are using trend data and root cause analysis to bring about service improvement.

5. Involving Residents

Following complaints that tenants' representatives were not sufficiently involved in monitoring, we have changed the third stage of complaints so that these are now being heard by a panel comprising of 2 Board members, 2 resident representatives and a Head of Service (not involved in the department giving rise to the complaint).

6. Reviewing our Performance on Repairs

To enable us to improve on how we respond to complainants, we have completed a review of our complaints process, which has been agreed with the Barnet Homes Customer Care Group, the ALMOs Customer Care Group and London Connects.

Over the past year we have commenced regular reviews as follows:

- Complaints Forum with the Decent Homes Constructor Partners, project managers and Housing Maintenance Team representatives on a monthly basis
- Meeting representatives of the Voids and Special Works and Voids and Lettings team – monthly (as part of the Direct Operations meeting)
- Direct Operations (monthly)
- Collards (monthly)
- Asphaltic (bimonthly)
- Responsive Repairs Contractor Partners (as part of the contractor partnership meeting process)

How Complaints are Monitored

Complaints are reviewed monthly by the Senior Management Team, the Complaints Review Panel and the Head of Housing for the Council; quarterly by Board Directors at the Standards Sub-Group; half-yearly by the Council's Tackling Crime and Housing Overview and Scrutiny Committee and annually by the Barnet Homes Board.

In February 2006 the Standards Sub-Group received a comprehensive report from the Chief Executive, which recommended 16 actions for improvement. The Standards Sub-Group monitor the action plan.

The main focus of the Complaints Review Panel is to monitor complaint trends/patterns. This enables remedial action to be taken and any learning to be shared across the organisation.

Communicating Complaints Handling

During the past year we have developed and introduced new Talk2Us Compliments/Comments/Complaints leaflets and posters. We offer information on the complaints procedure in other languages and in Braille as required.

Our residents newsletter circulated to all tenants and leaseholders, regularly features articles on complaints.

Developments Planned for 2006/07 To Improve Our Service

In the coming year it is planned that:

- The complaints process for the organisation be merged and become part of the customer contact centre
- That Contact Manager is developed to ensure it is an accurate, consistent and robust recording and reporting system
- Stage 3 of the 3-stage complaints process will be determined by a panel (see below) quarterly and an annual complaints report will be produced
- The website will carry a monthly "what have we learned/what have we changed as a result of your feedback" section and this will also feature in At Home
- The complaints road show round 1 is now almost completed and round 2 is in the planning stage. Stage 2 will concentrate on areas highlighted in the feedback from round 2, putting time/cost detail to complaints
- The correspondence QA check process is underway and recommendations will aim to ensure effective communications prevent minor setbacks escalating to major complaints

Members of the Panel from September 2006

Membership of the Panel from September 2006 will comprise 2 Board members (one of whom will act as chair), 2 residents per sitting – one representing leaseholders and the other tenants 1 Head of Service (separate from service related to the complaint). The panel will be selected and trained during early September with the intention of being ready to sit by the end of September.

It is intended that once the process is bedded in the complainant will be invited to attend at least part of the deliberation.

Increased Role for Area Panels

A review of the roles of the area panels took place in Autumn 2005 and the recommended changes were agreed as part of the Business Plan. This sets out an enhanced role for the panels relating to complaints, firstly in terms of monitoring the complaints received in their area and secondly to have open meetings of the panels where tenants and leaseholders could raise complaints directly with the panel.

Training for this role will take place during 2006.

Conclusion

Complaints are very important to us. To achieve an excellent service we need to demonstrate that we are treating complaints seriously and learning from them. I believe that this review of the complaints process demonstrates that we value complaints as feedback and the opportunity to address our shortcomings and develop the service. The service has some way to go to achieve the standard required but the action plan tasks and the clarity of the monitoring roles will deliver the improvement which we require.



Appendix 2

**Equalities
and
Diversity
Policy**

2006 (REVIEWED)

Contents

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1. Introduction

Barnet Homes was set up in 2004 as an Arms Length Management Organisation (ALMO), to manage and improve the housing stock on behalf of Barnet Council. Barnet Homes was set up after a strong show of support from residents in a test of opinion in November 2003.

This document sets out Barnet Homes' vision and commitment to ensure equality of access and opportunities for all our residents and employees. The policy was reviewed in 2006 in response to new and amended legislation.

In serving our community, we aim to improve the quality of life of all residents and to ensure that our services are accessible to all. The strength of having a diverse workforce is that we are able to maximise the full potential of all employees irrespective of their backgrounds.

Working within a diverse community, we value and celebrate the richness of culture, backgrounds and traditions we share. Barnet Homes together with Barnet Council accepts that discrimination is a major barrier to a fair and just society. We are guided by the reality that there are people who are prevented from taking part fully in the life of our community, for example, in areas such as housing. The reasons for unfair treatment and exclusion may be related to their age, disability, ethnic background and skin colour, faith, gender, health, language, social and economic background, or sexuality.

Barnet Homes recognises that discrimination affects people in complex ways. We are committed to challenging all forms of inequalities in the delivery of our services.

Our responsibilities extend to promoting harmony, tolerance, equality, for celebrating diversity amongst the community and challenging all forms of inequalities in the delivery of our services.

2. Our Vision

Barnet Homes' mission statement is to achieve excellence by delivering high quality and improving services to all residents.

Our commitment to promoting equalities and diversity in our delivery of services and as an employer is reflected in our business aims:

- "To provide services that meet the needs of all our diverse and vulnerable customers"
- "To develop a highly skilled, motivated and satisfied workforce which is reflected in high quality services to residents"

To achieve these aims, we are committed to improving the quality of life for all of our residents and encourage wider participation for all in the services we

provide. We also aim to have a workforce that reflects the diversity of talent, experiences and skills of our communities.

Our equalities policy is guided by the following principles:

- All residents, employees and partners have a responsibility to promote equalities and challenge discrimination and stereotyping.
- All residents are able to participate fully in the life of the community and celebrate its diversity.
- Every resident has equal access to high quality services that meet their needs. We recognise that there are some people who may need support in receiving this entitlement.
- Every resident and employee is entitled to a safe environment free from discrimination and harassment.
- Every employee is entitled to training and development and fair opportunities to promotion.
- All residents, employees and our partners are encouraged to make their contribution to improving our services.

3. Our Commitment to equality

Promoting equalities is about putting principles set out in our vision into practice both as a provider of services and a responsible employer.

These are our commitments to all residents and staff.

Serving our Diverse Communities

Barnet Homes has a key role to provide relevant and accessible services that meet the needs of our diverse communities. We aim to ensure that high standards of quality and equality are always maintained. We aim to improve access for all by ensuring that every resident:

- has the right to receive appropriate, accessible services that are free from discrimination, harassment and victimisation
- has the right to be treated with respect and provided with accurate and up to date information about Barnet Homes' services
- should feel enabled to access all our services and not feel excluded because of their age, disability, ethnic background and skin colour, faith, gender, health, language, social and economic background, or because of their sexuality.

- has the right to be consulted on the way we plan and deliver our services
- has our assurance that service contracts will incorporate equalities principles and that performance against these will be monitored
- has the right to give feedback or raise complaints about services through clear and easy to use complaints, compliments and comments procedures
- should feel able to contribute to Barnet Home's decision- making process. This includes all user representative groups and community groups, and those who historically have been under-represented

Barnet Homes as an Equal Opportunities Employer

Barnet Homes is an important employer in the borough and therefore we have a key role to play in tackling inequalities and discrimination. We aim to ensure equalities underpin all aspects of our employment policy and practice.

We recognise that promoting equalities and recognising diversity also makes good business sense. We intend to become an 'employer of choice'.

We aim to:

- be an equal opportunities employer committed to a policy of equal access to employment opportunities, training and development, at all levels of the organisation
- recruit and retain a workforce that reflects the expertise and diversity of our community and ensure that recruitment and selection procedures are in place to attract the best applicants to Barnet Homes
- support staff in increasing their understanding of equalities issues through regular staff development programmes
- create a safe working environment where any form of discrimination, victimisation and harassment is dealt with quickly, appropriately and effectively, and where staff feel supported in challenging discrimination, victimisation and harassment
- promote and further develop work-life balance policies to ensure that we maximise employment opportunities for all

4. Our Cycle of Improvement

We believe that promoting equalities is a continuous process. We will ensure that we review what we do and make improvements, through monitoring our action plan and delivery plan and publishing the results.

To put our vision and commitments into practice we will:

- ensure that the needs of our diverse communities are identified and taken into account in the planning and delivery of our services.
- work towards the elimination of harassment on our estates, support victims and taking action against perpetrators.
- ensure all residents including hard to reach groups can have a say in how housing services are run, through our Tenant Compact. We have a comprehensive range of methods of involvement based on preferences of residents – these are both informal (such as focus group discussions, surveys, community development initiatives) as well as more formal (such as Partnership Panel meetings)
- ensure that information we provide is accessible to service users, in languages and/or in formats that they can understand.
- ensure that we evaluate and measure our progress against action plans and set targets.
- publish our performance against our equalities targets
- share our improvements and achievements with all staff and our partners in the community
- identify further areas for improvement

Barnet Homes has developed a model for how to assess the equalities impact on services or policies – these are known as “Equality Impact Assessments”. We have put in place a plan to assess all of our existing policies and services by April 2008.

5. The Equality Standards for Local Government

The Equality Standard for local government in England was developed in 2001 through a partnership between the Commission for Racial Equality, the Disability Rights Commission, the Equal Opportunities Commission and the DIALOG unit of the Employers’ Organisation for local government, with advice from the Audit Commission as a framework for promoting equality practice.

Revised in 2006 following a major review, the Standard has been extended to address six equality strands: age, disability, gender, race, religion/belief and sexual orientation.

The review for the revised Standard has led to some simplification and clarification but the general framework has been affirmed and remains unaltered. The primary aim of the original Standard was to improve outcomes in employment and service delivery through implementing sound performance management practices.

This aim has been given greater emphasis within the revised version, while the process has been strengthened through a requirement for external validation at level 3 and 5. This external validation will be undertaken through IDeA-approved evaluators, who will score against the requirements at each level of the Standard and will provide written feedback on what improvements can be made.

An Equality Mark for Local Government has also been introduced for when level 5 is achieved. Local authorities achieving the Equality Mark will be reassessed every three years.

A summary of the levels of the equalities standards is included in appendix 1.

Barnet Homes, considering our position as an ALMO (managing agent of a local authority), will use the standards as a framework together with the Audit Commission's diversity Key Lines Of Enquiry 32 for implementing equality and diversity best practice. We will continue to work with Barnet Council to achieve the different levels within the Standards.

6. Race Equality Scheme

The Race Relations (Amendment) Act 2000 was a legislative response to the findings of the Stephen Lawrence Inquiry. It places a general duty on all public authorities to have regard to the need to:

- eliminate unlawful race discrimination
- promote equality of opportunity
- promote good relations between people of different racial groups

There are two specific duties that every public authority must meet in order to comply with this general duty. These are to:

- publish a race equality scheme
- monitor employment practices and procedures

Barnet Homes is committed to the promotion of race equality and to tackling any forms of racial discrimination. Our Equality & Diversity Policy sets out how we will meet racial equality – in our commitment to how we deliver services to residents and our role as an employer.

Barnet Homes adopts Barnet Council's Race Equality Scheme. Each year we produce a comprehensive overarching Equalities and Diversity Action Plan with identified race equality actions which reflect the essence of Barnet Council's Race Equality Scheme.

We have adopted this holistic approach to Equalities practice across all the equality strands.

7. The Disability Equality Duty

Part 3 of the Disability Discrimination Act 2005 places a duty on all Local Authorities and public bodies to have in place a **Disability Equality Duty** scheme aimed at promoting equality for disabled people.

Most public authorities are also covered by specific duties, which set out a framework to assist authorities in meeting their general duty. All public authorities covered by the specific duties must:

- publish a Disability Equality Scheme (including within it an Action Plan)
- involve disabled people in producing the Scheme and Action Plan
- demonstrate they have taken actions in the Scheme and achieved appropriate outcomes
- report on progress
- review and revise the Scheme.

We identify specific disability issues as part of our action plan and carry out consultation on the proposals. We work jointly with the London Borough of Barnet to develop the plan. In compiling this action plan we aim to be informed by the six main strands that have been highlighted by Disability Rights Commission:

- promote equality of opportunity between disabled people and other people
- eliminate discrimination that is unlawful under the Disability Discrimination Act
- eliminate harassment of disabled people that is related to their disability
- promote positive attitudes towards disabled people
- encourage participation by disabled people in public life
- take steps to meet disabled people's needs, even if this requires more favourable treatment.

8. The Employment Equality (Age) Regulations 2006

The primary effect of these new Regulations upon employers is as follows:

- Direct and indirect discrimination by employers on the grounds of age will be prohibited in the areas of recruitment, promotion and training;
- The only compulsory retirement age will be 65;
- Employees over 65 will be given the right to claim unfair dismissal and redundancy;
- Employers will be obliged to notify employees at least six months in advance of their retirement date;
- Employers must consider a request by an employee to continue working after age 65.

Barnet Homes' Human Resources Department has reviewed the recruitment application forms and relevant human resources policies to ensure that they reflect the requirements of this new legislation.

9. The Equality Act 2006

The Equality Act 2006 has a number of implications for local authorities. It establishes a new commission for Equality and Human Rights and alters the definition of religion or belief to prevent discrimination on the grounds of lack of belief.

The act also means that no one can discriminate on the grounds of religion or belief, sexual orientation, when it comes to providing goods, facilities and services. This also extends to education, in the use of and disposal of premises and in the exercise of public functions.

Finally the Act prohibits sex discrimination in the exercise of public functions and creates a general duty on public authorities. This requires them to have due regard to the need to eliminate unlawful discrimination and to promote equality of opportunity between men and women.

Barnet Homes has outlined a set of guidelines for our managers and staff to ensure that diversities information are collected and monitored in a systematic approach. We will use this process and others to assess the equality impact of our services and to ensure equal access to services for our customers and employees alike.

10. Our Responsibilities

Barnet Homes recognises that within its organisation all board members, staff and resident representatives have a part to play in challenging discrimination and in implementing this policy:

Board members are responsible for ensuring the strategic importance of equalities to Barnet Homes and that adequate resources are made available to implement the equalities objectives. The Equalities and Diversity Action Plan is monitored through the business plan monitoring and reporting process with each of the board sub groups having responsibility for at least one of the Business Aims as follows;

Strategic Steering Sub Group:

- Overarching Objectives
- Providing services that meet the needs of all our diverse and vulnerable customers

Standards Sub Group:

- Providing Excellent Services driven by customer involvement
- Developing safe, sustainable and cohesive communities

Procurement Sub Group:

- Bringing all homes up to decent homes plus by 2010

Resources Sub Group:

- Developing a highly skilled, motivated and satisfied workforce
- Developing new business for Barnet Homes

The **Chief Executive** is responsible for the overall management and strategic direction of the equalities objectives.

Our **Senior Management Team** are responsible for ensuring the implementation of the policy in their service areas.

The **Barnet Homes Equalities Group** is chaired by our Chief Executive. It develops the action plan and evaluates progress against targets and criteria for success. It develops our good practice on equalities and acts as a critical friend to service areas practice. It reports to the Senior Management Team every two months.

The **Service Development Team** is responsible for drafting the Barnet Homes Equalities & Diversity Policy, reviewing good practice on equalities, servicing the Equalities Group and leading on consultation on the Policy.

Our **Human Resources** team has the responsibility to lead on equalities issues in employment within Barnet Homes.

All staff have a responsibility for promoting and delivering equalities in the workplace and in serving the community.

Resident representatives have a responsibility for promoting equality and diversity issues in their groups, challenging discrimination and ensuring their membership is reflective of their communities.

11. Relevant Legislation

Barnet Home will implement its equalities policy in accordance with the current legislation governing local authorities and the associated codes of practice. We set out below the main legislation in the area of equalities:

- Equal Pay Act 1970 and Amendment 1983
 - Employment Relations Act 1999
 - Employment Rights Act 1996
 - Sex Discrimination Act 1975
 - Race Relations Act 1976
 - Race Relations Amendment Act 2000
 - Code of Practice in Rented Housing 1991 and revised in 2006
 - Code of Practice for Reporting and Recording Racial Incidents
 - Code of Practice for Social Landlords: Tackling Racial Harassment
 - Protection from Harassment Act 1997
 - Disability Discrimination Act 1995 (inc Disability Equality Duty)
 - Crime and Disorder Act 1998
 - Human Rights Act 2000
 - Equality Standards for Local Government
 - EU Anti-Discriminatory Measures (1997 Treaty of Amsterdam)
- Equality Act 2006
- Employment Equality (Age) Regulations 2006

Translations statement/availability in other formats

1. Statement of Purpose

- 1.1 Achieving the decent Home standard by 2010 is a key business aim and the assistance of London Area Procurement Network (LAPN) is vital to achieve this and demonstrate continuous improvement.

2. Summary

- 2.1 This report updates the Board on the developments in LAPN, the scale of the works which LAPN will procure, funding arrangements, the role of the Chief Executive and future requirements.

3. Recommendations

- 3.1 That the Board note the position of the development of LAPN
- 3.2 That in order to improve the cash flow, members consider making fee payments on the basis of agency-type invoicing with stage payments at agreed dates in the future, subject to a detailed report to the Business Sub Group
- 3.3 That the Chief Executive's Directorship of LAPN, the Head of Finance's membership of the LAPN Finance Committee and the Investment Strategy Manager's membership of the LAPN Steering Group is noted so that they are a matter of public record.

4. Financial & Risk Management Issues

- 4.1 These are covered in paragraph 6.2.6 below. LAPN has been identified as a risk in the Corporate Risk Register reviewed regularly by the Business Sub-Group.

5. Resident Consultation and Equalities Issues

- 5.1 None in the context of this report

6. Background

- 6.1 Reports on LAPN have been made to the Procurement Sub Group and the Strategic Steering Group on several occasions as the network has developed. Achieving at least 10 % (excluding 1.5% LAPN fee) savings through the LAPN convergence programme is essential to delivering the Decent Homes programme.

6.2 LAPN Progress

6.2.1 Business Plan

The Business Plan, required by DCLG, was submitted in July and has been assessed as fit for purpose. A grant payment of £114k will be awarded for having reached this milestone.

6.2.2 Procurement

The pilot project to procure gas servicing and installation is progressing and Barnet homes will procure gas servicing from the framework from

April 2007. The procurement process and volume of work is set out in Appendix 1. In summary, an OJEU notice was posted in June inviting Expressions of Interest for the following work streams:

- General Contractors
- Adaptations
- Cyclical maintenance
- Mechanical and Electrical
- Asbestos Removal and Consultancy
- Lifts
- Responsive repairs
- General Contracting and Responsive repairs
- New build housing
- Construction materials suppliers who have logistics and consolidation centre capability for the above work streams

To get this far has required a significant commitment from the members. Barnet Homes has contributed to the processes for gas servicing and less so for the other areas as we have concentrated on the convergence work.

6.2.3 Staffing

LAPN have appointed temporary staff to assist in developing this complicated and demanding process. Interim arrangements are in place for the Managing Director who works 2 days per week, a Resource Director who works 10 days per month and a full time PA/Office Manager who is also on a temporary contract.

6.2.4 Offices

Kensington and Chelsea TMO have provided temporary office space at no cost, until December and will make provision at cost, within their new offices for LAPN staff for as long as they are needed.

6.2.5 Membership

6.2.6 The original 10 members are active in LAPN and Sutton Housing partnership has now joined the network.

6.2.7 Finance

A Finance Sub-Committee, comprising finance leads from each member organisation, has now been set up, and met for the first time on 7 September 2006. The main issues are around the Business Plan, in particular the position in relation to the short-term cash-flow which is based on the receipt of grant income and the initial 1.5% fee income.

Further Hillingdon Homes have been dealing with LAPN's financial transactions through their bank accounts and have reported that this is no longer tenable. They require payment of any outstanding monies by 1 December 2006. LAPN's own bank accounts are in the process of being opened.

In order to improve the cash flow it was suggested that members should make their fee payments earlier than the presently proposed

method of 1.5% of each payment made to partners. The preferred approach to this is on the basis of agency-type invoicing, with stage payments (for example) at start-up, commitment to contract, practical completion of contract and on satisfying retention provisions. It will be vital that there is clear transparency in the accounting process.

It was also noted that there should be some recognition for the amount of time and resource that has been input into the setting up of LAPN by the key founder members (including Barnet Homes), and that this should be reflected in the financial arrangements.

6.3 **Future Requirements and observations**

As LAPN progresses the members have been asked to commit the following resources to ensure completion within the agreed timescale:

- Procurement task group to meet and discuss generic model answers for procurement panel members
- Steering group and procurement panel members to be advised of the resource requirements for the tender stage. These are currently identified as:
 - Attending workshops to agree model answers, site visit requirements, interview questions and presentation and reference requirements.
 - Attending ITT marking training workshops
 - Attending training that is needed to be delivered in respect of interviews and sites visits
 - Be available to mark Tenders from the 17th October 2006 over a period 10 days to mark 152 stage one tenders; marking is to be allocated by work stream
 - Be available over a period of 15 days starting 1st November 2006 to attend interview and site visits. Procurement panels to be advised by the Procurement Task Group of the most appropriate number of contractors and capacity needed for each work stream.
- A staff conference is scheduled at Hillingdon for the 3rd October 2006 to advise staff of LAPN processes which Hillingdon staff have adopted to achieve efficiency, cost savings and value for money
- Detailed planning meetings, short term programme and action plans for the next stage will be circulated to members W/C 11th September 2006
- CWH to continue to coordinate the LVT dispensation process, the current procurement programme reflects the current proposals. David McCallion will advise requirements nearer the time. A number of leaseholder manager meetings are taking place to programme and coordinate future activities.
- A lessons learnt workshop needs to be held at all levels and information created to improve further procurement processes

- Detailed planning for members 2007/8 contract requirements and consequent internal approvals and call of arrangements

Barnet Homes staff are contributing at various stages to the procurement activities, but it is accepted that the bulk of their work will be on the convergence programme in order to achieve the savings and demonstrate how this is done to others who are in the next phase of the convergence programme. Nevertheless, the work load must not be underestimated and the contribution which most members are making is considerable.

6.4 Role of the Chief Executive

The Chief Executive is a member of the LAPN Board by appointment of the Barnet Homes Board. The Business Sub Group expressed concern about this and I have taken advice from the LAPN Company Secretary about a possible conflict of interest between my position as Chief Executive of Barnet Homes, a beneficiary of LAPN, and my role as a Board Member of LAPN. The Company Secretary, Ian McCrea has informed me that I am only a Director because Barnet Homes have decided to become a Member of LAPN and they have appointed me to be a member. My Directorship arises therefore as a consequence of my position as CEO and not as a separate interest.

No conflict of interest therefore arises as I will at all times be subject to the instructions of the Board in respect of my conduct on the LAPN Board. The Board can remove my LAPN Directorship whenever they wish and appoint a different person.

He also advised that as a matter of good practice my Directorship should be registered with the Barnet Board so that it is a matter of public record. I need not absent myself from discussions at the Board about LAPN because I am the Board's representative to LAPN.

I also ask that the Head of Finance's role as a member of LAPN Finance Committee and the Investment Strategy Manager's role on the LAPN Steering Group are noted .

Author: Margaret McPeake

Date: 13 September 2006

APPENDIX 1

Update on LAPN prepared by Adrian Blumenthal, Framework Manager LAPN

This report provides an update on the processes followed and outcomes to date, now that all expressions of interest have been assessed and adjudicated and tenders invited. It summarise how the process has worked hitherto and who has been invited to tender

Procurement Process - Overview

LAPN decided to select its partners through an EU compliant 2 stage Restricted procurement process.

The procurement process can be summarised as follows:

- LAPN decision on work streams requiring frameworks following a strategic procurement workshop in April 2006
- Placing of 10 OJEU notices, seeking expressions of interest from interested contractors / partners
Pre Qualification Questionnaires (PQQ's) received and reviewed
- An Adjudication meeting to agree the result of the 1st Stage of the Procurement Process
- Invitation to Tender
- Short listing of tenders based on a 50% price and a 50% quality evaluation
- Final selection based on a 30% cost and 70% quality evaluation
- Establish Frameworks

The adjudication meeting took place on 23rd August and 152 invitations to tender for 8 work streams have now been issued..

Stages of selection

The process to select framework contractors involves 2 main stages:

- *Stage 1 : Pre Qualification Stage - Completed*
- *Stage 2: Tender stage*
 - A: Qualitative Questionnaire
 - B: Cost model – to assess relative pricing
 - C: Interview Stage (including site and office visits)
 - D: References

Stage 2 is itself split into two parts. Initially an assessment of all tenders will be carried out with 50% of works assessed on qualitative

questionnaire and 50% on an initial assessment of the cost model. The final short listed tenderers derived from this process will then be asked to attend interviews, be subject to site visits, references and a more detailed analysis of the cost model. Final scores will be assessed 70% qualitative and 30% on price.

Stage 1: Pre Qualification Stage

The aim of this stage was to select a short list of contractors to take forward to stage 2. In all 400 contractor enquiries were received, 181 PQQ's were reviewed and 152 tenderers across all work streams were selected to continue to stage 2, the more detailed tender stage.

1. Management of the Process

The process has been overseen by the Steering Group who in turn approved the creation of a Procurement Task Group.

Additional resources and support has been provided by CWC consultants and LAPN's administrative team.

Significant support was also provided by the members, Staff and Residents.

The key elements of the process are set out below.

2. Section 20 Workshop

On the 15th march 2006 a leaseholder manager's group meeting was held, the purpose of the meeting was to review the process of section 20 as it applies to LAPN. The meeting was attended by Leaseholder Managers, Steering Group members, and Trowers and Hamlins. The output of the meeting agreed in principle the requirements to progress the procurement process; the main outcomes of the Section 20 workshop were:

- Legal advice on the approach to handling the Section 20 notice for a multi-client procurement, including the requirements for initial notification and LVT dispensation.
- Agreement on the role of the Coordinator for this process (David McCallion City West Homes)

3. Strategic Procurement Workshop

The LAPN Steering Group came together in a 2 day workshop (23rd-24th April 2006) to develop the strategic plan for the procurement process, to agree the work streams for which frameworks were required, to forecast likely volumes of work for each framework and to note members concerns and risks. The procurement process aimed to alleviate partner's fears, which were principally:

- Would we be able to use of the existing supply chain?
- Would suppliers be able to deliver small projects?
- Would the process deliver a solution to meet, LAPN's Aims, Objectives and KPI's
- Would smaller contractors be excluded?

The workshop agreed to deliver the frameworks through a 2 Stage, Restricted and EU compliant process.

A strategic procurement report was issued after the workshop and detailed the approach to be undertaken and the work stream requirements of the Members. A set of Aims, Objectives and KPI's for the procurement process were also issued in draft after the procurement workshop.

The programme for the procurement process is driven by the requirements of the members to achieve service and works provision beginning 1st April 2004. To achieve this goal the procurement process must be substantially complete by early December 2006; this allows members to be able to:

- Coordinate the section 20 processes and the relevant issues of notices and observations
- Steer the procurement decisions through their relevant decision making structures
- Begin pre-commencement (at risk) programmes of activities with the suppliers.

The time constraints for this procurement process are significant and rely partly on the members to provide adequate resources in terms of information and availability of staff and residents to support this process. Programmes of work and resource requirements have been issued via the steering group for appraisal and action.

4. Contract selection workshops and work stream development workshops

As a consequence of the Strategic Workshop, supplementary workshops were held for all members to further define the proposed work streams and also define the contracts to be used on individual projects. LAPN colleagues were asked to provide sample specifications and cost models at this stage. The work stream development workshops took place between the 20th -28th April 2006 and were attended by both procurement and technical colleagues. The contracts selected are PPC 2000 amended to target costs and the NEC suite of contracts.

5. Leaseholder Managers Workshop

On the 27th April a Leaseholder Managers day was held and facilitated by David McCallion (CWH). The purpose of the workshop was to agree the process for delivering the stage1 Section 20 Notices to leaseholders for the members.

A short term action plan was created detailing the activities and approvals required to deliver 37,000 letters and leaflets to leaseholders and to decide how translations were to be dealt with.

A website zone for residents was created and 18 translations were provided for strap lines. There were 50 or so subsequent requests for translations.

The members published; the section 20 notices and explanatory leaflets to their leaseholders by 22nd May 2006.

Each member dealt directly with the observation made by their leaseholders. David McCallion is currently consolidating all observations and responses

6. Industry Day

LAPN arranged a conference to soft market test the views of existing contractors and suppliers to communicate LAPN's plans to a sample of construction industry representatives and to gain their feedback on the framework proposals. Feedback was generally positive and comments and observations from the conference were incorporated into the refinement of the prequalification questionnaire. 120 representatives attended the conference at the Queens Club. The conference included a main plenary session and break out groups to take feedback and answer questions,

All in all 15 key questions were raised at the conference and these and LAPN's responses were placed on to the website

7. OJEU Notices.

A series of Contract Notices (CN's) were placed in the official journal of the European Union. The CN's were available from between the dates of the 30th May 2006 and 2nd June 2006. The suppliers were given 37days to respond. The CN's were work stream specific and were referenced as follows:

Frameworks:	OJEU reference Numbers:
• Contractors and complete supply chains	2006-023511
• asbestos removals	2006-023701
• asbestos consultancy	2006-023701
• adaptations	2006-023714
• mechanical and electrical	2006-023689
• lifts	2006-023726

Contractors were invited to download PQQ's from the LAPN website. The LAPN website received 400 expressions of interest and 181 PQQ's were returned on or by the 11th July 2006.

Queries from the contractors were placed on the website and also answered within 24 hours of being placed. An e-mail address info@lapn.org.uk was created and used to communicate with suppliers and those requiring expressions of interest. Over 600 e-mails were dealt with.

181 PQQ's were returned on the 11th July 2006. Suppliers had the opportunity to express an interest in single or multiple work streams and elements. The inclusion of elements allowed for smaller and more specialist companies to become involved.

8. Procurement task group and Panels

The Steering Group decided to create a sub group to advise and support the procurement process. The need to create a sub group arose from the Steering Group meetings were being subsumed by the procurement process.

The procurement Task Group comprised:

- Adrian Blumenthal (LAPN Framework Manager)
- Jennie Rosenthal (BHP)
- Heather Cooper (KCTMO)
- Grant Walker (LB Hillingdon)

The task group advised on the following aspects of the selection process:

- PQQ creation
- PQQ Model answers, scoring systems and weightings.
- Tender procedures.
- Finance checking requirements
- Tender documentation
- Evaluation and award criteria
- Framework Agreement
- Procurement advice and legal guidance.

The procurement task group also noted and monitored progress of the PQQ applicants. On the 15th August 2006 it was noted that 12 Applicants had failed due to the disqualification questions on Equal Opportunities and/or Environmental questions. The procurement task group advised that the answers to the questions could be mistakes and that further enquiries needed to be made. E mail enquiries were made and all confirmed they had made mistakes in answering the PQQ's. This resulted in the PQQ's being marked a third and fourth time, the marks registered and the results scored. (The information needed for the adjudication meeting on the 23rd August 2006 was not complete as some organisations responded after this time).

The procurement task group also reconfigured the weightings applied to the questionnaire to ensure that smaller organisations would have an even chance of being selected to tender. The weightings for quality and innovation were changed at the task groups meeting on the 4th August 2006.

The Procurement task group also established the requirement for the work stream procurement panels. These procurement panels supported the PQQ marking process and included staff and residents . A

procurement champion for each panel was put forward by members to coordinate the activities of the panel and manage the tender processes.

The procurement task group noted the inclusion of a separate work stream for cyclical decorations and maintenance. Information for this work stream was provided to LAPN on 8th August 2006

Initially the procurement panels were responsible for the creation of benchmarking specifications to be used in the tender process. The procurement panels will also be used to deliver the following for the Tender stage:

- Specifications and cost models for the tender process
- Tender model answers
- The requirements and assessment for the Presentations and Interviews
- The requirements and assessment for the Site visits.
- Assessment of references

The procurement task group will be required to advise on the tender marking and checks on the cost elements.

LAPN decided to defer some of the frameworks at a meeting on the 11th July 2006 due to the level of interest generated and the information contained within the PQQ's. LAPN will reconsider its requirements for these work streams over the next 9 months. LAPN has sent letters to the deferred suppliers. LAPN is undertaking a series of meetings with the deferred suppliers to develop its strategy for these work streams in the future.

The following frameworks are deferred:

Frameworks:	OJEU reference Numbers:
• responsive repairs	2006-023664
• responsive repairs and general contracting	2006-023664
• new build	2006-023730
• construction materials merchants and suppliers who have logistics and consolidation centre capability for the above work streams	2006-023806

LAPN has sent letters confirming this decision to all those suppliers and contractors, who expressed an interest, in the above work streams.

9. Marking and Administration of PQQ's

The PQQ's were returned on the 11th July 2006, and opened in accordance with the tender procedures. The PQQ's were filed into work streams and details entered in the database. The database recorded the following PQQ details:

- Applicant ID
- Financial checks
- Markers recorded marks
- Scope of works applied for by the contractor/supplier.

Details of the information were registered into the database, an audit of the database found thirty-one applicant details missing. The documents returned generally comprised 2 copies held in A4 folders and a single CD-rom. The electronic copy was retained on the LAPN server and copies e mailed to markers as and when required.

Residents and colleagues were able to mark the PQQ's either remotely on line or at TMO house. All 181 PQQS were assessed. Marks were entered into the data base and the marker confirmed their result by signing a printed report.

One of each PQQ held at the LAPN office will contain the following documents:

- Details of the applicant
- Scope of works applied for
- Equifax snapshot report used to assess financial standing in conjunction with the PQQ sections A and C
- 2 copies of the marked results.

To score the PQQ's the results were inputted in to the database and the weightings applied to the marks to give a maximum score out of 100.

Financial assessment was undertaken by creating a database of applicants, the following observations were made to assess the applicant's suitability:

- Assessment of company's litigation record.
- Information from the companies profit and loss account
- Whether a bank reference could be obtained
- Companies record on investigations into financial matters

- Previous Contract termination
- Director's previous record.
- Companies Current ratio
- Companies Interest Cover ratio
- Companies profit Margin.

If any of the above were deemed to be detrimental to LAPN, the companies were disqualified.

Further financial checks will be made at the tender stage.

PQQ's were assessed both individually and separately in relation to single and multiple work streams and elements.

PQQ's were assessed by a predetermined marking questionnaire, this questionnaire covered financial standing and a 100% quality assessed questionnaire. Marks were accorded to the questionnaire by LAPN trained markers. The markers comprised both staff and residents.

The results were recorded onto a spreadsheet by work stream for analysis and adjudication and the results appended.

10. PQQ Training

Training on the marking of PQQ's was given to staff and residents via a workshop. The attendees took part in the marking of a Pre-qualification Questionnaire. The training covered aspect of Marking and online assessment. As the training progressed questions and answers were discussed in a group so that all participants were involved in developing a consistent approach to marking

11. PQQ Marking

All PQQ's returned were marked either on line or manually. A data base of the marked results was created and this was used to score the PQQ's by application of the weightings. A review of the marks with the Procurement Task group on the 23rd August 2006 and an initial short list created.

The weightings were agreed by the procurement task group.

The initial results were tabulated on individual spreadsheets for each work stream.

12. Adjudication

The Framework Manager presented the initial PQQ scores obtained from the database. The results were checked and a further QA check is

to be undertaken, this additional check is to review each candidate has been attributed to the appropriate work stream to ensure that it has been.

This following information was tabulated and presented for adjudication:

- Applicant ID
- Applicant name
- Overall turnover from PQQ
- Work stream turnover from PQQ
- Overall Contract/Turnover ratio from PQQ
- Equifax Profits margin
- Interest Ratio
- Current Ratio
- Values of work applied for
- PQQ score

In respect of adjudication of the Cyclical Decorations and Maintenance and Roofing work streams. The review of the contractors applying solely for these work streams highlighted that the number of potential contractors to be invited to tender were less than required to allow LAPN to be able to effectively tender. It is noted that contractors that are required to tender for the General Contracting work stream would also have to tender for Cyclical Decorations and Maintenance and Roofing. To avoid potential challenges from suppliers who did not qualify for the General Contracting work stream but scored above the lowest qualifying score for the cyclical decoration and maintenance and roofing, it was decided to invite those General Contractors to tender for the cyclical decoration and maintenance and roofing work streams

Initial tenderers were advised by letter, 29th August, 2006 and final tenderers were advised on the 4th September 2006. Tenders will be returned on the 16th October 2006 giving the tenderers over 40 days to return their submission.

Tenderers were invited to a second conference on the 7th September 2006, the conference was attended by 90 people .

Acknowledgements

LAPN wishes to acknowledge the significant involvement of those tenants and colleagues that have supported this procurement process in relation to attending training, the various panel workshops and marking of the prequalification questionnaires.

Please see below for the details of persons and organisations that have taken part in supporting this procurement process.

Adrian Blumenthal, Framework Manager LAPN

Acknowledgments

PQQ Markers	
Heather Cooper- KCTMO	Doris Ducheire CWH
Ian Campbell- CWH	Nigel Parsons KCTMO
Valerie Sharples- KCTMO	Donal Daly KCTMO
Andrew Thompson- CWC	Keith Strange CWH
Harry Walden-KCTMO	Sandip Shergill CWH
Hannah Dowling-CWC	Allan Erickson KCTMO
Dipak Umeria-BHP	Andrew Arnold KCTMO
Larry DaSilva KCTMO	Georgina Wingham KCTMO
Janice Wray KCTMO	Dave Steppel KCTMO
Alex Kumar-LAPN	Phil Holland KCTMO
Gaenor Holland-Williams- KCTMO	

Procurement Panel Members

Workstream Procurement Panel Members			
Workstream	Name	Panel Position	ALMO
General Building			
	Dipak Umeria	Other 2	BHP
	Marcus Gregory	Other 1	BHP
	Richard Jones	Champion 1	Hillingdon
	Chris Woods	Other 1	Hillingdon
	Harry Walden	Other 1	KCTMO
	Valerie Sharples	Other 2	KCTMO
	Ron Pettifor	Other 2	Hounslow
	Gaenor Holland Williams	Resident	KCTMO
	Larry Da-Silva	Resident	KCTMO
	Allan Erickson	Resident	KCTMO
	Ian Campbell	Other 1	CWH
Mechanical and Electrical			
	Karin Jaegar	Resident	BHP
	Ted Costar	Other 1	Hillingdon
	Dave Steppel	Other 1	KCTMO
	Phil Holland	Other 2	KCTMO
	Neil Gibson	Other 1	Hounslow
	Vasiliki Stavrou	Resident	KCTMO
Responsive Maintenance			
	Donal Daly	Other 1	KCTMO
	Fred Besant	Resident	KCTMO
	Gaenor Hollan Williams	Resident	KCTMO
	Larry Da Silva	Resident	KCTMO
Adaptions			
	Tony Payne	Champion 2	Hillingdon
	Ken Lyons	Other 1	Hillingdon
	Nigel Parsons	Other 1	KCTMO
	Allan Erickson	Resident	KCTMO
	Fred Flemming	Resident	KCTMO
Lifts			
	Robin Cahalarn	Other 1	KCTMO
	Ted Costar	Other 1	Hillingdon
	Sylvia Collett	Resident	KCTMO
Asbestos			
	Michael Horton	Champion 2	Hillingdon
	Janice Wray	Other 1	KCTMO
	Rob Potter	Other 2	Hounslow
	Sylvia Collett	Resident	KCTMO

1. Statement of Purpose

- 1.1 This report aims to support the Board in its strategic role of maintaining an overview of work undertaken by the different Sub-Groups.

2. Summary

- 2.1 This paper gives feedback on the Sub-Group meetings held since the last Board meeting.

3. Recommendations

- 3.1 That the report is noted.

4. Financial & Risk Management Issues

- 4.1 None arising

5. Resident Consultation and Equalities Issues

- 5.1 None arising

6. Background

- 6.1 Since the last Board meeting of the 31st July 2006 the following meetings have taken place:

- Business Sub Group – 2nd August 2006 – 6th September 2006
- Resources Sub Group – 4th September 2006
- Procurement Sub Group – 23rd August 2006
- Strategic Steering Group – 21st August 2006
- Standards Sub Group – There were no meetings of the Standards Sub Group in August. Feedback from the meeting of the 19th September will be provided at the November 2006 Board meeting.

- Feedback from these meetings is provided in the attached appendices.

Author: Cora Vigar Head of Corporate Services

Date: 14th September 2006

Chief Executive Officer Approval:

Date:

Barnet Homes Board
Feedback from Business Sub-Group

Item: 9

1. The Business Sub-Group has met twice since the July meeting of the Board and a summary of the main issues discussed is set out below.
2. Statement of Internal Control and Risk Management
 - 2.1 We received a report detailing the control environment within the Company based on a self-assessment by the Executive. This was a comprehensive and useful document and we will be reviewing this on a half-yearly basis. The statement of the Chief Executive Officer is being circulated to all Directors.
 - 2.2 In addition we have further reviewed the Corporate and Operational risk registers and are pleased to note some improvement, particularly in relation to accommodation.
3. New Business
 - 3.1 We are pleased to report that additional funding has been obtained through Supporting People Grant and through the London Fire and Emergency Planning Authority, enabling the target for new business in the current year to be increased to £250,000.
4. Annual Meeting with External Auditors
 - 4.1 We met privately with RSM Robson Rhodes earlier this month following their audit. No major issues emerged from the audit.
5. Budget Monitor
 - 5.1 A report is received each month on the budgetary position which is satisfactory. We approved two allocations from contingency funds to meet short-term and one-off requirements.
6. Budget and Business Plan 2007/12
 - 6.1 The programme and timetable was approved at the last meeting.
7. Procurement Strategy
 - 7.1 This was agreed following comments on the draft and an Action Plan approved.

Author: David Sidbury
Date: 15 September 2006

Barnet Homes Board
25th September 2006
Feedback Resources Sub-Group 4th September 2006

1. Pensions

Mike Wiffen (Head of Financial Services) attended to explain the Government's proposals for a new Local Government Pension Scheme (LGPS) which have been issued for consultation. The Resources Sub-Group considered its responses to a number of questions raised, summarised below:

- Retention of a final salary scheme over an alternative career average was strongly favoured as a valuable part of the recruitment and reward package
- The Sub-group supported the proposal to include cohabitees' pensions within the regulations
- The Sub-group had concerns regarding extensions to existing flexible retirement provisions, but agreed in principle subject to these being cost neutral
- The proposal to move to tiered contributions (as opposed to the existing flat-rate) was favoured
- The Sub-group supported the proposal of a two-tier ill health arrangement but felt the greater flexibility offered needed to be balanced against the costs of administration

It was agreed that Mike Wiffen would draft a response to the DCLG along these lines. It was also agreed to raise this issue with the unions at the next JNCC meeting.

2. Health & Safety

Bambos Kakouratos (Health & Safety Co-ordinator) gave an interesting presentation on progress being made on health safety and outlined the priority areas still to be addressed. Implementation of site audits was highlighted as the biggest area of concern, in that although Decent Homes partners have their own H&S systems, Barnet Homes has a responsibility for auditing and checking these. It was agreed to bring a report to the next meeting with proposed timescales for implementation.

3. Board Learning and Development

The Sub-group received a discussion document including a case study of board development carried out at Kensington & Chelsea TMO which was highlighted as best practice. The report also reminded us of the feedback from the last inspection which cited this as an area for development and where progress needs to be made before the next inspection. The benefits of a residential event were recognized however it was also acknowledged that this may prove difficult for some due to family commitments.

The Sub-group strongly supported the need for the board to come together as a cohesive group, especially given that a number of new directors will be appointed at this year's AGM. To this end the Chair has written to all directors requesting their attendance at an informal event after the AGM and at a

facilitated afternoon and evening event to be held on 15/11/2006 (followed by dinner). The Sub-group strongly supports the Chair in this and urges all board members to attend these events.

4. HR statistics

Sickness absence is currently higher at 3.3 days than the target figure (2.3 days) largely due to an increase in long-term sickness absence. The Sub-group reviewed the individual circumstances in one team in particular which has an average of 20.6 days due to long-term absences. It was confirmed that the correct procedures had been followed (referral to Occupational Health and a home visit) and that the legal position would be checked in one case.

5. Corporate Joint Negotiation and Consultative Committee (CJNCC)

The Sub-group was advised that terms of reference for the JNCC had finally been agreed with the unions. The proposed terms of reference for CJNCC were discussed and agreed for onward discussion with the unions. It was agreed that Sharon Slotnick would chair CJNCC.

6. The Sub-group also received information reports on:

- Quarterly business plan and Equality and diversity action plan monitoring
- Update on HR issues
- Change Management

**Report by: Vi Britchfield (Chair of Resources Sub-group)
5th September 2006**

1. The Procurement Sub-Group has met once since the 31 July 2006 meeting of the Board and was attended by Jem Fouweather, Trevor Renouf, Tim Sims, Vi Britchfield, Maria Colaco, Margaret McPeake and Harry Williams. A summary of issues discussed is set out below.
- 2. Procurement of Repairs & Maintenance**
 - 2.1 The group were brought up to date with the current progress in procuring the new contracts and were advised that the Pre Qualification Questionnaire (PQQ) has now been completed. There were 85 Expressions of Interest made, 80 were sent out after duplicates had been removed, 34 returns were received, 15 shortlisted, 11 were unsuccessful in being shortlisted and 8 withdraw. 14 expressed an interest in providing a service for the whole borough.
 - 2.2 The 15 successful bidders will now progress to the next stage and will be sent an Invitation to Tender (ITT) document, which has to be completed and returned within 42 calendar days. The group noted and agreed the evaluation criteria that will be sent out as part of the ITT, but asked that value for money be strengthened.
- 3. Performance Management & Partnering Update**
 - 3.1 The group received a report on the quarterly performance for Technical Services.
 - Decent Homes Programme – Spend slow
 - Revenue Repairs – pressure on budget (report to group on 25/10/06)
 - Repairs satisfaction – slightly down
 - Completion of non-urgent repairs – good performance
 - 3.2 The group received an update on Partnering
 - Works to Moreton Close and Drummond House completed, Market Place and Derby House due to start soon
 - Hendon & Edgware – delays in external works due to leasehold consultation and planning consent, consideration being given to bringing forward works from next year
 - Barnet – Year 1 packages completed to houses, external works to flats commencing September
 - Finchley – Year 1 packages completed to houses, works progressing on Year 2 to flats
 - 3.3 Key Performance Indicators (KPIs) are being established with our Partnering Constructors.
- 4. Review of the Housing Investment Programme**
 - 4.1 The group were updated on the progress to date on the efficiency exercise being undertaken on the Decent Homes partnering contracts by LAPN's consultants CWC, the Sheltered Housing Strategy being developed with Barnet Council, the proposed consultation with residents on the decent homes programme of works, repairs revenue budget implications, potential longer term acceleration of the programme, performance indicators and the staff structure review.

4.2 A Strategic Partnering Group has been established, attended by Barnet Homes Management Team and Directors from the 3 construction partners. Working groups have also been set up to review standards and scope of works. The group requested a report be tabled at 25 October 2006 meeting on how efficiencies will be achieved and the outcome of the residents' consultation is to go to full Board on 25 September 2006.

Author: Jem Fouweather

Date: 29 August 2006

Future of the Company

The Steering Group received a report outlining options for the future of the company. The Steering Group decided that the focus would be on service delivery to achieve 3*

The Steering Group also received a report which outlined the DCLGs (Dept of Communities & Local Government) views on options for the management of council homes in local authorities with ALMOs after the Decent Homes programme has been completed.

Update on the AGM

The steering Group agreed the proposed agenda.

Governance

Discussions took place around good governance in relation to achieving 3* at the next inspection and the Chairs proposal to hold a facilitated event in order to look at the future of the Board.

It was also agreed to hold a private meeting of all Board Directors after the AGM on the 16th October.

National Agenda Update

The Strategic Steering Group received a report extracted from items in the housing trade journals:

- ALMO Funding
- Bankruptcy/Rent Arrears Write Offs
- Inspection Proposals
- Construction Demand Capacity 2005-2015 Study

Author: Trevor Renouf
Date: 12th September 2006

1. Statement of Purpose

- 1.1 Barnet Homes is committed to achieving effective governance and ensuring we deliver our objectives and commitments to target.

2. Summary

- 2.1 This paper sets out the proposed future agenda items for Barnet Homes Board.

3. Recommendations

- 3.1 That the Board's views are sought on the proposed agenda

4. Financial & Risk Management Issues

- 4.1 Not applicable

5. Resident Consultation & Equalities Issues

- 5.1 Not applicable

6. Background Information

- 6.1 20th November 2006

- Election of the Chair
- 4th Priority – Preparation for Inspection
- Budget & Performance 2006/07
- Efficiency
- Feedback from the Sub Groups
- Forward Agenda Planning

- 6.2 5th January 2007

- 5th Priority – Governance to 3*
- Feedback from the Sub Groups
- Forward Agenda Planning

Author: Marian Dowling

Date: 14th September 2006

Chief Executive Officer Approved:

Date: