

**BARNET HOMES BOARD**  
**24 January 2011**  
**6pm – 8.30pm**

**AGENDA**

<b>ITEM</b>	<b>TITLE</b>	<b>STATUS</b>	<b>PRESENTING</b>
<b>1</b>	Introductions & Apologies		
<b>2</b>	Declaration of Interests		
<b>3</b>	Agree Minutes & Matters Arising & agree confidential minutes <i>(pages 3-16)</i>		
<b>4</b>	Draft Business Plan 2011 - 2013 <i>(page 17-34)</i>	<b>Information</b>	<b>David Thomas</b>
To advise Board Members of some of the key developments expected in the 11/12 budget.			
<b>5</b>	Budget Headlines 2011/12 <i>(pages 35-38)</i>	<b>Information</b>	<b>Gary Pliskin</b>
This report aims to advise Board Members of some of the key developments expected in the 11/12 budget.			
<b>6</b>	Board size <i>(pages 39-41)</i>	<b>Decision</b>	<b>Cora Vigar</b>
This report is to agree whether to pursue a further reduction in the board from 12 to 9.			
<b>7</b>	Adult Social Care outline business case <b>Report to follow</b>	<b>Information</b>	<b>Tracey Lees</b>
<b>8</b>	Budget Monitoring 2010/11 – eight months to 30 November 2010 <i>(pages 42-48)</i>	<b>Monitoring</b>	<b>Gary Pliskin</b>
This report aims to advise Board Members of the budgetary position.			
<b>9</b>	Performance Management Information <i>(pages 49-61)</i>	<b>Monitoring</b>	<b>David Thomas</b>
This report with attachments outlines the performance of Barnet Homes in its Pulse performance areas for the year to November 2010.			
<b>10</b>	Health and Safety <i>(pages 62-69)</i>	<b>Information</b>	<b>Cora Vigar</b>

This report is to update the Board on Health & Safety issues.			
<b>11</b>	2010 Staff engagement survey results (pages 70-74)	<b>Information</b>	<b>Cora Vigar</b>
This report aims to provide the Board with a summary of the 2010 Staff Survey results.			
<b>12</b>	CEO update report (pages 75-86)	<b>Information</b>	<b>Tracey Lees</b>
This report is to provide the Board with information on important external and internal issues which impact on the business of Barnet Homes.			
<b>13</b>	Repairs and Maintenance contract (pages 87-89) <b>Confidential Item</b>	<b>Information</b>	<b>Cora Vigar</b>
This report aims to update Board Members on progress on the repairs and maintenance contract.			
<b>14</b>	Forward Agenda Planning (pages 90-91)	<b>Decision</b>	<b>Tracey Lees</b>
This report provides future agenda items for the Board to consider.			
<b>15</b>	Minutes/feedback from the Audit and Risk Committee (18 <sup>th</sup> January 2011)		<b>Terry Rogers</b>
<b>16</b>	Any Other Business		
<b>17</b>	Meeting Debrief	<b>Verbal</b>	

**BARNET HOMES BOARD MEETING  
15 November 2010  
MINUTES**

**Attending:**

Vi Britchfield (Chair)  
Peter Brown  
Terry Rogers OBE FCIH JP (Vice Chair)  
Jane Nelson  
John Macfarlane  
Cllr Helena Hart  
Charmaine Young CBE (Co-opted Director)  
David Atta  
Bob Colquhoun

**Apologies:**

Sharon Slotnick  
Cllr Ross Houston (RSH)  
Ken Bennett

**Management & Staff:**

Tracey Lees (Chief Executive Officer)  
Derek Rust (Director of Operations)  
Cora Vigar (Acting Director of Business Services)  
Mike Wiffen (Head of Financial Services)  
David Thomas (Head of Business Services)  
Gary Pliskin (Head of Finance)  
Elliott Sweetman (Contracts Manager)

**Guests:**

Rupert Tyson (Chair of the Board, Homes for Hackney)

**Minutes**

Corinna Demetriou (PA to CEO)

ITEM	TITLE	ACTION
1.	<b>Introductions &amp; Apologies</b>	

1.1	Apologies were noted.	
<b>2.</b>	<b>Declaration of Interests</b>	
2.1	HH declared her interest as a London Borough of Barnet Councillor.	
<b>3.</b>	<b>Minutes &amp; Matters Arising</b>	
3.1	<b>8.7 – Changes to CYNTRA company structure – CV</b> advised that new members of CYNTRA will not be eligible to share in the profit until at least two years after a situation of overall profit is reached. The original owners will then have the option of further review before a final decision on distribution is made.	
<b>4.</b>	<b>Election of the Chair and Vice Chair to the Board and the Retirement of Peter Brown</b>	
4.1	The report asked the Board to approve the re-election of Vi Britchfield as the Chair and Terry Rogers as the vice Chair and were asked to note the retirement of Peter Brown as a Board member.	
4.2	The Board approved the re-election of Vi Britchfield as Chair of the Board and approved the re-election of Terry Rogers as Vice chair of the Board.	
4.3	The Board also noted the retirement of Peter Brown and expressed their thanks to him.	
<b>5.</b>	<b>Adult Social Services – In house services – an opportunity for Barnet Homes</b>	
5.1	Kate Kennally, Acting Director of Adult Social Services from the London Borough of Barnet attended the Board meeting to outline and discuss the future shape of Adult Social Services.	
5.2	KK outlined the background to the review and the drivers for change which the development of personal budgets, unrealised trading opportunities and the Council's One Barnet programme.	

5.3	KK informed the Board that a high level options appraisal is due to be presented at the Cabinet meeting on 29 <sup>th</sup> November 2010. This will and recommends the establishment of Local Authority Trading Company (LATC) working with Barnet Homes	
5.4	KK advised that Barnet Homes scored highly in the initial outline options appraisal. If the report is approved a detailed business case will be developed for consideration by March/April 2011.	
5.5	KK believed this was the best way forward for the Adult Social Services sector as Barnet Homes has come a long way and has a good reputation for high quality services.	
5.6	CY asked if the formation of a trading company would require an OJEU notice. KK advised that it would not as it would be covered by the 'Teckal' exemption, as the LATC would be 100% owned by and providing essential services to the Council.	
5.7	JN asked if any modelling had been done on users choosing not to spend their budgets in these services. Users not spend their budget on the LATC. KK advised that she thought this would be low risk as there is currently no replacement services.	
5.8	JM asked if there were any specific reasons that Adult Social Care was not externalised in 2005. KK advised that she was not aware of the history as this was before her time with LBB.	
5.9	TR asked if all Adult Social Care services are mandatory and if this was likely to change in the future. KK advised that the services had only recently been re-configured on the back of consultation and were in good shape. The role of the managing body would however be to seek feedback and develop the service and reduce dependency.	
5.10	CY asked if that in the current economic climate and with funding difficulties, people would be able to afford these services. KK advised that the provider would need to	

<p>5.11</p> <p>5.12</p>	<p>respond to the operating environment although at present benchmarking shows that costings are in line with other Council run services, although some others were cheaper. So far savings were expected to be made from de-layering management but the demand for services was not expected to reduce.</p> <p>TL informed the Board that this was a good for Barnet Homes and that we should be exploring this further.</p> <p>The Board noted the report.</p>	
<p>6.</p> <p>6.1</p> <p>6.2</p> <p>6.3</p> <p>6.4</p> <p>6.5</p>	<p><b>The Comprehensive Spending Review (CSR) – Impact on Barnet Homes and Social Housing</b></p> <p>The report updated the Board on the key issues arising from the Comprehensive Spending Review and the impact on Barnet Homes and social housing. The HRA reform details are now expected in January 2011 and will be followed by consultation next Autumn and come into effect in 2012. Timetables will be subject to the localism bill.</p> <p>MW advised that the draft subsidy determination for 11/12 had been received and would mean a rent increase of 5.3% although he was still working through the details of this. A gap of £1million in the management fee was expected for 2011/12, however there was some good news that the proposed new Universal Credit (replacing Housing Benefit) would be paid direct to landlords.</p> <p>TR asked if the expected 5.3% rent increase would all be covered by housing benefit. MW confirmed it would be although it would be subject to housing Benefit limits which had not been yet announced.</p> <p>TR also asked if the ring fencing that is to be removed from all revenue grants with the exception of school and public health grant would also include the HRA. MW confirmed that the HRA would be self financing and so would still be ringfenced.</p> <p>CY asked whether the recently announced Decent Homes backlog funding would be available for the regeneration</p>	

	<p>estates to bring the stock up to Decent Homes standard. TL confirmed that she had emailed relevant LBB colleagues to consider this and was awaiting confirmation. She advised that the timescales for making an application were very tight but she hoped this would go ahead.</p>	
6.6	<p>JN commented that we should be closely monitoring the Governments proposed tenure reform and should start modelling the impact of these on voids, rental values and the waiting list in Barnet. She also suggested applying for Lord Heseltine's funding competition to support regeneration. TL said she would raise this with Stewart Murray at LBB. <b>An update on tenure reform is included within the Chief Executive's update report.</b></p>	TL
6.7	<p>BC asked if the Business Plan was still valid given all the changes that were taking place. MW confirmed that the Business Plan was based on the current HRA system but that the new offer would be better and the proposed new business would give Barnet Homes a greater critical than currently. The key missing pieces of information were the final coalition offer and Localism Bill.</p>	
6.8	<p>JM said the proposed Government for reforms raised issues regarding rent levels and existing secure tenants would be reluctant to move. He felt Barnet Homes should be modelling the impact of the welfare reforms. DR explained his team were doing some work on this in relation to debt/evictions and would be reporting on this at the Executive Team meeting. <b>This work has been undertaken and is included within the CEO update report.</b></p>	DR
6.9	<p>The Board noted the contents of the report.</p>	
<b>7.</b>	<p><b>CEO Updates</b></p>	
7.1	<p>The report provided information on important external and internal issues which impact on the business of Barnet Homes.</p>	
7.2	<p>TL informed the Board of discussions that have taken place with other London ALMO's on sharing services. A meeting has been set up for 8<sup>th</sup> December for Chief</p>	

<p>7.3</p> <p>7.4</p> <p>7.5</p>	<p>Executives and Chairs of the Board from Haringey and Enfield and this will be fed back to the Board at the January meeting.</p> <p>JM &amp; HH said that if this sharing would involve a significant amount of officers time Barnet Homes should consider charging for this. TL advised that Barnet Homes would also benefit form the expertise of other ALMO's.</p> <p>On accommodation TR raised a query regarding the out of borough site. TL explained that this was only a few yards outside the boundary but has the potential for its own customer reception which was a bonus. HH said that the PCT would be replaced by NHS and therefore discussions should be with NHS Barnet. CY also suggested speaking to the Police as they also have surplus accommodation in Barnet/Colindale. <b>TL is currently in discussions with Neil Basu, Borough of Commander. TL to follow up with NHS Barnet.</b></p> <p>The report was noted.</p>	<p>TL/CV</p>
<p>8.1</p> <p>8.2</p> <p>8.3</p> <p>8.4</p> <p>8.5</p>	<p><b>8. Housemark cost benchmarking survey</b></p> <p>The report summarised the results from the Housemark cost and performance benchmarking survey for 2009/10 and the Board were asked to note the contents of the report.</p> <p>JN asked for details of the other 13 organisations in the group. DT agreed to email this to JN. <b>DT has sent details to JN.</b></p> <p>HH asked why we have slipped in the ranking from 4<sup>th</sup> to 7<sup>th</sup> in relation to back office costs. DT advised that this is calculated by dividing fixed costs by the number of employees which makes the figure seem higher when in fact this was a greater efficiency.</p> <p>CY asked about void costs. DR explained that Barnet Homes performance was lowest quartile for reasons previously advised to the Board.</p> <p>PB commented that resident involvement costs have gone</p>	<p>DT</p>

	<p>up and asked if it is wise to have lots of residents involved due to the high costs. DT advised that HQN felt this may be due to other ALMO's not including all costs associated with resident involvement in the figure.</p>	
8.6	The HQN study had found Barnet Homes resident involvement service to be of high quality and good value for Money.	
8.7	The Board noted the contents of the report.	
<b>9.</b>	<b>Budget Monitoring – six months to 30 September 2010</b>	
9.1	The report outlined to the Board the budgetary position for Barnet Homes on a year to date basis as at the end of September 2010 and projected the full year figures for 2010/11.	
9.2	HH asked if Barnet Homes could buy in legal advice from external companies which may be cheaper. GP advised he was currently reviewing this as part of a VfM review. It was also confirmed that Barnet Homes currently uses a number of external legal firms as well as the London Borough of Barnet legal services.	
9.3	The Board noted the contents of the report.	
<b>10.</b>	<b>Performance Management Information</b>	
10.1	The report with attachment gave the Board an update on progress with Business Plan projects and outlined the performance of Barnet Homes in its Pulse performance areas for the year up to September 2010 which was previously discussed at the Standards and Asset Management Sub Group on 10 <sup>th</sup> November 2010.	
10.2	JM commented that it should be noted that there are no red indicators within the report, however he did note that some repairs PI's have not been included due to the change over to Lovells.	
10.3	DT informed the Board that findings from the 47 satisfaction surveys that had been completed showed	

	<p>83% of satisfaction with the Lovells repairs. TR advised that we should be pleased with these results although this may be explained by the fact that the repairs have been carried out after a long wait due to the problems with Connaught in September.</p> <p>10.4 JN commended the hard work that has taken place around reducing sickness levels.</p> <p>10.5 HH commented that she would like the opportunity to discuss which PI's should be to be reported to the Board meetings. JM commented that the PI's were currently under review with the PAG.</p> <p>10.6 The Board noted the contents of the report.</p>	
	<p><b>11. Changes to the Board structure and Scheme of Delegation</b></p> <p>11.1 The report outlined the need to restructure the Board and proposed the establishment of a new Audit and Risk Committee and other changes to the Scheme of Delegation.</p> <p>11.2 JM asked if the Board away day dates could be circulated as soon as possible so all Board members can diarise for next year and CY asked if the Board could all be told of the AGM date for 2011. <b>CD circulated new meeting planner for 2011 with all the dates for Board meetings, Away Days and the AGM.</b></p> <p>11.3 All Board members agreed to have two Board Away days, one in March 2011 and one in September 2011. All agreed that this should not be residential to keep costs down. The dates will be confirmed as soon as possible.</p> <p>11.4 CY offered the meeting room at Beaufort Park for the away day to keep costs down and suggested it should be combined with a visit to Grahame Park to see the regeneration estate and how it is progressing. CD to note for future Board awaydays.</p> <p>11.5 JM commented that as the Board will be meeting 7 times a year it may be an idea to only bring performance to 6</p>	<p><b>CD</b></p> <p><b>CD</b></p>

	of these and to use the 7 <sup>th</sup> meeting for discussion on strategic issues.	
11.6	The Board approved the disbandment of the Business and Resources Sub Group and the Standards and Asset Management Sub Groups following the November cycle.	
11.7	The Board approved the new board reporting cycle and forward agenda.	
11.8	The Board approved of the establishment of the new Audit and Risk Committee and the proposed changes to the terms of reference. It was agreed that CV would invite nominations for the group and also for the Committee Chair following the meeting. <b>Completed.</b>	<b>CV</b>
11.9	The Board approved the remuneration for the Audit and Risk Committee chair set as £3,000.	
11.10	The Board approved the other changes to the Scheme of Delegation. <b>Completed.</b>	<b>CV</b>
<b>12</b>	<b>Amendments to contract procedure rules</b>	
12.1	This item will come to the Board meeting of 24 <sup>th</sup> January 2011.	
<b>13</b>	<b>Repairs and Maintenance contract</b>	
13.1	Confidential item minuted separately.	
<b>14.</b>	<b>New Business Strategy</b>	
14.1	Confidential item minuted separately.	
<b>15.</b>	<b>Forward agenda planning</b>	
15.1	Agenda items for the Board meeting of 24 <sup>th</sup> January 2011 are: <ul style="list-style-type: none"> <li>• Performance Monitoring</li> <li>• Forward Agenda Planning</li> <li>• CEO Updates</li> <li>• Sub Group Minutes</li> <li>• Meeting Debrief</li> </ul>	

	<p>Additional agenda items for the meeting of 24<sup>th</sup> January 2011 are:</p> <ul style="list-style-type: none"> <li>• Contract Procedure Rules</li> </ul>	
<b>17.</b>	<b>Any other business</b>	
17.1	The Board expressed their thanks to Mike Wiffen, Chris Wilkins.	
17.2	The Board expressed their thanks to Peter Brown on his retirement of the Board.	
<b>18.</b>	<b>Date &amp; Venue of next meeting</b> Monday 24 <sup>th</sup> January 2011 6.00pm – 8.30pm 9 <sup>th</sup> Floor meeting room Barnet House	

Circulation:

All present

Cllr Ross Houston (RSH)

Sharon Slotnick

Ken Bennett

**Barnet Homes**

Board / Sub Group:	Barnet Homes Board
Date:	24 January 2011
Title of Report:	Draft Business Plan 2011-2013
Purpose of Report:	This report with attachment outlines the draft business plan for Barnet Homes for 2011-2013.
Classification: General Release / Exempt (if exempt state relevant ground)	General Release

<b>Report Summary:</b>
<p>Key points to note about the draft plan</p> <ul style="list-style-type: none"> <li>• The three business aims have been summarised into a new vision</li> <li>• The plan is grouped around five key themes – Residents, Services, People, Finance and Community</li> <li>• Key projects underpin each theme</li> <li>• Information relating to resident and staff satisfaction is included</li> <li>• This is a two year plan</li> </ul> <p>Consultation with residents closes on 15 January and outcomes from this will feed into the final budget and Business Plan to be reported to the Board in March 2011.</p> <p>A verbal update on consultation findings will be given at the January 2011 meeting.</p> <p><b>Appendices to this report:</b></p> <ol style="list-style-type: none"> <li>1. Draft Business Plan 2011-2013</li> </ol>

<b>Recommendations:</b>
<ol style="list-style-type: none"> <li>1. That the Board comments on the proposed new vision</li> <li>2. That the Board gives its views on the draft Business Plan.</li> </ol>

Report Author:	David Thomas Head of Business Improvement	Date:	10 January 2011
Telephone:	0208 359 4949	Email:	david.thomas@barnethomes.org

## 1. Policy context

- 1.1 Barnet Homes Business Plan sets out the aims of the company for a defined future period. The context for planning takes account of political, economic and social factors and builds on what we know of the needs and wants of our customers, the Council and our staff.

## 2. Outline of the issues

### 2.1 What's different?

There are several changes to the plans from previous years:

- This is a two year plan
- New vision
- Grouping under 5 key themes
- This is a time of unprecedented policy and strategic change in social housing
- The current age of austerity overarches all planning

### 2.2 Two year plan

We have set a two-year timescale to this Business Plan in light of the uncertainty over the following current issues:

- the future of the Housing Revenue Account, and the implications of an alternative self-financing system.
- the economic climate
- the Localism Bill, including changes to security of tenure and flexible tenancies
- reform of the benefits system, the ability of tenants to sustain their tenancies, and extra support they may require
- outcome of ongoing discussions with Barnet Council about taking over housing needs and resources services, and some adult social care services
- the possibility of setting rents for new tenants at 80 per cent of market rates, and a decision on how this might be applied in Barnet.

### 2.3 New Vision

We are proposing to summarise our three business aims into a single vision. Our intention is to make a simple statement which can easily be used to inspire and challenge staff and will work across a range of services.

- 2.3.1 In consultation with staff the following vision has been drafted -

***Great service that makes a positive difference to people, homes and communities***

- 2.3.2 Directors comments are sought on the draft vision and proposal to replace the three business aims of:

- To deliver excellent services for all our customers
- To make best use of resources by providing value for money services and developing new business
- To manage our regeneration estates successfully

## 2.4 **Key projects**

### 2.4.1 The key projects for the next 2 years are outlined below

- Develop the scrutiny role of our residents' Performance Advisory Group. The group will also take responsibility for drafting our Annual Report to residents and leading a review of our complaints process.
- Procurement of ten-year maintenance contracts, starting in April 2012
- Work with Barnet Council to deliver enhanced housing management services to sheltered housing and aim to provide sheltered housing plus services
- Support Barnet Council in delivering the outcomes of its lean review of allocations and lettings
- To seek new office accommodation that offers good value for money and remains accessible to our residents
- To continue mobile working to enable staff to access and update information on site, and encourage more flexible working patterns that suit both our customers and our staff
- To develop an IT strategy to include a review of our integrated housing management software and implementation of a dedicated Customer Relationship Management system.
- Work with Barnet Council to take on housing needs and resources services
- Work with Barnet Council to take on some adult social care services
- Subject to funding arrangements, support the creation and future work of a new charitable furniture recycling project, Barnet Reuse Centre.

## 2.5 **Audience**

2.5.1 This plan is aimed at an informed audience comprising partners, peer organisations and potential business partners.

2.5.2 We have provided a copy the draft plan to the Council and will provide a verbal update of their feedback at the meeting.

## 2.6 **Next Steps**

A completed Plan will be submitted to the March Board meeting and incorporate any changes recommended by directors and the council and results from resident consultation.

### **3. Tenant & leaseholder implications**

- 3.1 Consultation with residents was carried out at the Residents' Involvement Hub in October 2010. This was in the form of a Dragon's Den process where residents were invited to challenge service managers directly and then vote for their priority services. The table below shows priority areas from this exercise:

1	Repairs
2	Supported Housing
3	Resident Participation and Training
4	Antisocial Behaviour
5	Rental Income
6	Youth engagement
7	Caretaking
8	Voids and lettings
9	Grounds maintenance
10	Neighbourhood services
11	Home ownership
12	Communications
13	Translation and interpreting

- 3.2. A larger At Home and VIEWPOINT consultation was carried out during December 2010 and January 2011. The closing date for consultation was 15 January 2010. The results of this are currently being analysed and will inform the final budget and business plan to be reported in March. We will provide a further verbal update at the meeting.

### **4. Equality & Diversity Implications**

- 4.1 The consultation sought to reach out to all residents and was in online and hard copy formats with help available by phone where needed.

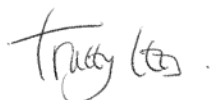
### **5. Financial & Risk Management Implications**

- 5.1 Budgets for the next two years are included in the plan.

### **6. List of Appendices**

- 6.1 Appendix 1 – Draft Business Plan

**Approved by Tracey Lees Chief Executive Officer:**



**Date: 13<sup>th</sup> January 2011**

## **Business Plan 2011-13**

### **Foreword**

The successful completion of our Decent Homes programme is a good opportunity to reflect on our achievements and assess how we can best meet the challenges ahead.

We are enormously proud of having delivered our £185million Decent Homes investment programme on time and to budget, making improvements to more than 8,000 homes.

This is more than just improving the fabric of buildings. It is also about building the fabric of a better society - from older people enjoying a warmer home, to thousands of children being given a better start in life.

Yet we have always recognised that our company is about much more than Decent Homes. By taking a business-like approach to social housing, we have a good track record of developing professional expertise, delivering high quality services and offering good value for money. We believe this provides us with the foundation to grow as an organisation.

Plans to attract new business, particularly our plans to take over additional services from Barnet Council, will help us to ride out the challenges of the national squeeze on public spending. At the same time, we are confident that we can do more for less, improving services while making year-on-year spending reductions.

Over the next two years we will build on our record of:

- Substantial efficiencies. By applying a business focus to social housing, we have managed to cut our operating costs by 15 per cent year-on-year while retaining good customer satisfaction. But we know we must now go further, and more radical savings solutions must be found
- Successful partnership working. We are currently procuring for ten-year contracts for our maintenance services. This process is crucial to the future quality and value of our services
- Excellent relationship with our sole shareholder, Barnet Council. This will help us to realise our plans for taking over management of some adult social care housing services, along with housing needs and resources. The addition of these services will ensure the company's future viability and success
- Involving and empowering our residents. From having a Barnet Homes leaseholder as Board Chair, to establishing a resident-led scrutiny group, we have long recognised that co-regulation is the best way of

ensuring we provide services that meet the needs and wishes of our residents

- Maintaining our properties to a good quality standard. We must ensure we invest our reduced resources in the most cost effective and beneficial way both on our regeneration estates and other council homes across Barnet
- Developing a good quality and committed workforce. We must ensure we have the right people with the right skills and resources to continue to raise the quality of our services to our residents.

The financial challenges ahead are significant but not insurmountable. We are positive about the opportunities for self-financing offered by the government's review of the Housing Revenue Account, and would welcome the opportunity to involve residents still further in determining how we prioritise investment.

This Business Plan sets out how we will achieve more for less, and continue to build our reputation as an excellent landlord and innovative organisation over the next two years.

Tracey Lees, Chief Executive  
Vi Britchfield, Chair of the Board

### **Introduction to the Plan**

Our Business Plan sets out our main projects and objectives up to 2013, based on our vision.

The plan is a path of direction, not a detailed action plan. It will be used to inform action plans to be drawn up and delivered by service areas within Barnet Homes.

These individual plans, and our future Business Plans, will in turn be predicated on the following:

- Clarity over the future of the Housing Revenue Account, and a detailed assessment of the implications of an alternative self-financing system.
- More details from the government about the possibility of setting rents for new tenants at 80 per cent of market rates, and a decision on how this might be applied in Barnet.
- The coalition government's Localism Bill, including changes to security of tenure and flexible tenancies
- The impact of the new reform of the benefits system on the ability of tenants to sustain their tenancies, and extra support they may require

- Progress on regeneration projects at our four priority estates
- The outcome of ongoing discussions with Barnet Council about Barnet Homes taking over its housing needs and resources services, and some adult social care services.

In light of the current uncertainty over these important issues, we have set a two-year timescale to this Business Plan. Our previous Business Plans have extended over a five year period.

### Our vision:

### Great service that makes a positive difference to people, homes and communities

The successful delivery of our vision will require the following:

- Understanding the needs and wishes of our **residents**
- Delivering the right **services** at the right quality
- Ensuring we have the right **people** in place to deliver these services in the most effective way
- Offering **financial value** in all that we do, achieving efficiencies and attracting new business
- Working with partner organisations and residents to make efficiency savings and long-term improvements to wider **communities**.

### What our residents say about our services:

	<b>2008 (STATUS)</b>	<b>2010</b>	<b>London Avg (2008)</b>
Tenants happy with overall service	71%	73%	68%
Tenants happy with repairs service	70%	68%	66%
Tenants who felt staff were helpful	78%	83%	73%
Leaseholders happy with overall service	31%	40%	37%
Leaseholders happy with repairs service	30%	33%	33%
Leaseholders who felt staff were helpful	51%	59%	48%

## Residents

*We pride ourselves on our good customer care, reflecting the diverse needs of our residents. We are a listening organisation that involves our residents in all that we do.*

### Key project

**We will further develop the scrutiny role of our residents' Performance Advisory Group. The group will also take responsibility for drafting our Annual Report to residents and leading a review of our complaints process.**

#### **1. We will have a clear understanding of our residents, including their needs and priorities**

- We will carry out regular surveys of residents so that we have comprehensive information about the people we are serving, their priorities and their satisfaction with the quality of services
- We will keep existing information about our customers up to date by sending out profiling questionnaires with all appropriate correspondence, with a clear explanation of why we are doing this
- We will encourage more residents to join the 3,000 people already on our Viewpoint system, so that they can be consulted on the issues that matter to them.

#### **2. Residents will receive useful and timely information about Barnet Homes and our services in the format they want.**

- We will carry out further improvements to our website, involving residents on the Editorial Board, to make information more accessible and to enable increasing numbers of online interactions and transactions
- We will work with residents to quality check our standard letters and other outgoing correspondence
- We will actively encourage residents to sign up to email and texting services as a cost-effective alternative to receiving printed correspondence.

#### **3. Our residents will be given the tools to scrutinise our performance and drive change**

- We will further develop the scrutiny role of our resident Performance Advisory Group. The group will also take responsibility for drafting our Annual Report to residents and leading a review of our complaints process

- We will promote our 20 new service standards and encourage residents to hold us to account if we fail to meet these standards
- We will encourage residents to submit ideas for service improvements and efficiencies through a dedicated area of our website, alongside promotion in our *athome* newsletter and other communications channels
- We will increase the number of resident associations and support them to build local scrutiny through estate inspections, mystery shopping and reporting to the Performance Advisory Group
- We will continue to hold Hub meetings across the borough and attract new residents through strong promotion. Our managers and key staff will be attending Hub meetings to answer residents' questions.

## Services

*Delivering excellent services with reduced resources is Barnet Homes' biggest challenge. It is crucial that we concentrate our efforts on services that will have the biggest possible benefit to residents.*

### Key projects

**We will achieve high quality ongoing maintenance of our stock at the best possible value for money through our procurement of ten-year maintenance contracts, starting in April 2012**

**We will work with Barnet council to review sheltered housing provision with the aim of continuing to provide high-quality services to older residents**

**We will continue to support Barnet Council in delivering the outcomes of its lean review of allocations and lettings. This will enable more of those in housing need to find suitable housing of their choice more quickly, and will include agreeing with residents a variable void standard to help with tackling hard-to-let properties.**

### **1. All of our residents will be able to live in safe and modern homes.**

- We will oversee the delivery of a £9.5million refurbishment programme at three tower blocks in Granville Road, taking almost 200 properties to beyond the Decent Homes standard
- We will prioritise our investment spending on making safety improvements in line with legislation, and on vital work to replace failing elements of properties
- We will undertake a major programme of fire safety works using a risk-based approach
- We will ask residents through our Viewpoint system, Hub meetings and focus groups how they want to invest money to improve properties and estates.
- We will support our partner Village Heating to deliver a 3-star gas service with which will give cost-savings and maintain our excellent gas safety record

### **2. All of the 15,000 homes managed by Barnet Homes will be well maintained**

- We will achieve high quality ongoing maintenance of our stock at the best possible value for money through our procurement of 10-year maintenance contracts, starting in April 2012.

- We will involve residents at every stage of the procurement process, including ongoing monitoring of the contracts once in place
- We will focus on improving satisfaction with our repairs service by prioritising areas of dissatisfaction in our investment programme
- We will pilot a lean review of repairs at void properties, aimed at creating a more efficient system that can be delivered at better value for money and that will improve resident satisfaction with new homes
- We will work with Barnet Council and its regeneration partners to review our plans for ongoing maintenance and investment in regeneration properties, and keep residents up to date with developments.

### **3. Leaseholders will receive improved services at better value for money**

- We will introduce a key leaseholder scheme, through which leaseholders will agree to become liaison points between Barnet Homes and other leaseholders on issues such as communal repairs and service charges
- Through improved forward planning, we will oversee year-on-year reductions in variations between estimate and actual service charges
- We will pilot a Freephone system for our leaseholders and decide whether to establish this on a full-time basis
- Through targeted promotion, we will encourage more leaseholders to make use of our online Service Charges Direct system

### **4. Residents will receive appropriate and targeted support to help them sustain their tenancies and live independently**

- We will carry out focus group sessions with residents identified as most at risk of arrears to determine causes and agree action plans
- We will promote the use of direct debit through targeted campaigns to tenants
- We will encourage more tenants to take advantage of credit unions through prominent information on our website and through *athome*
- We will offer an enhanced housing management service at all of our sheltered housing schemes if Barnet Council approves plans to reconfigure housing and support options for older people. We will work with the council to ensure older residents continue to receive

appropriate levels of care and support through its proposed sheltered plus schemes.

#### **5. We will re-let empty properties more quickly to new tenants**

- We will continue to support Barnet Council in delivering the outcomes of its lean review of allocations and lettings. This will enable those in housing need to find more suitable housing of their choice more quickly, and will include agreeing with residents a variable void standard to help with tackling hard-to-let properties.
- Subject to government permission, we will offer assured shorthold tenancies at empty regeneration properties on the Grahame Park Estate. This will minimise lost rent and open up hard-to-let stock to new temporary tenants.

## People

*Our staff are our greatest asset. We can only deliver excellent services if we also have an excellent workforce.*

### What our staff say about us:

	2007	2010	2010 Benchmark
I am proud to work for Barnet Homes	75%	76%	73%
In my opinion this organisation is committed to customer satisfaction	<i>comparable question not asked</i>	89%	84%
My work gives me a feeling of personal accomplishment	69%	75%	75%
I am treated with fairness and respect	75%	81%	77%

### Key projects

**We will seek new office accommodation that offers good value for money and remains accessible to our residents**

**We will continue to roll out and develop mobile working to enable staff to access and update information on site, and encourage more flexible working patterns that suit both our customers and our staff**

**We will develop a major IT strategy to include a review of our integrated housing management software and implementation of a dedicated Customer Relationship Management system.**

### 1. We will have the right people in place to deliver high quality services to our customers

- We will develop a clear talent management and succession plan to encourage the most talented members of staff to develop in our employment
- We will encourage and develop staff with the right attitude and skills for delivering good customer service
- We will offer learning and development opportunities to staff that meet the needs of the Barnet Homes business and encourage personal growth

- We will further embed our new leadership structure to make better use of synergies between teams and improve information sharing across the company to deliver better customer service.

## **2. We will give members of staff the tools and support they need to do their job to the best of their ability**

- We will develop a new intranet site to improve internal communications and enable a system of 'self-service' for day-to-day information and forms
- We will seek new office accommodation that offers good value for money and remains accessible to our residents
- We will continue to roll out and develop mobile working to enable staff to access and update information on site, and encourage more flexible working patterns that suit both our customers and our staff
- Working with staff we will review and refresh our corporate values
- We will involve staff in developing our business by encouraging suggestions and ideas for innovation through 'Dragon's Den'-style events in front of Senior Managers
- All staff will take part in at least one resident event during the year to meet residents and build on their understanding of the communities we serve
- We will develop a major IT strategy to include a review of our integrated housing management software and implementation of a dedicated Customer Relationship Management system.

## Finance

*The national squeeze on public spending means we must make year-on-year savings throughout the duration of this Parliament. If we are to do more for less, we must ensure we make the best possible use of our reduced resources and attract new business to the organisation.*

### Key projects

**We will work with Barnet Council to take on housing needs and resources services**

**We will work with Barnet Council to take on some adult social care services**

#### 1. We will offer value for money in all that we do

- We will take full advantage of the government's proposed replacement of the Housing Revenue Account with a system of self-financing, working with residents to ensure we invest rental income where it is most needed and in a cost-effective way
- We will undertake continuous value for money reviews across our services to identify efficiencies and instil a value for money culture among our staff
- We will consult and involve residents in our budget setting process to ensure our priorities reflect residents' priorities
- Our selection process for ten-year contracts covering all of our maintenance services from 2012 will have value for money at its core
- By offering appropriate support and good quality services to residents, we will build on our record levels of income collection for both rents and service charges.

#### 2. We will attract new business to Barnet Homes to enable organisational growth

- We will work with Barnet Council to take on housing needs and resources services
- We will work with Barnet Council to take on some adult social care services
- We will develop proposals for offering our bulk waste service on a commercial basis to other organisations

- We will launch a marketing campaign for our Assist emergency alarm services, including our lone worker monitoring system, to encourage sign-up from more non-Barnet Homes residents and other organisations
- We will offer our services as a successful managing agent to other registered social landlords, both in and outside Barnet, to take over the management of more properties
- We will explore opportunities to work more closely with partners and other ALMOs
- We will explore options for introducing a decorating and handyman scheme, replacing our current offer of decoration vouchers to new tenants.

**Income and expenditure for 2011/12 and 2012/13** – to follow

	2011/12	2012/13
<b>Income</b>		
Management Fees		
Repairs and Maintenance		
Other Income		
Use of Reserves		
<b>Total Income</b>		
<b>Expenditure</b>		
Management		
Repairs and Maintenance		
Contingency/contribution to reserves		
<b>Total Expenditure</b>		

## Communities

*We want residents to take pride in both their homes and their neighbourhoods, so creating thriving communities.*

### Key project

**Subject to funding arrangements we will support the creation and future work of a new charitable furniture recycling project, Barnet Furniture Centre. This will benefit the wider community as well as many Barnet Homes residents by offering good quality furniture at discounted rates, new jobs and work experience opportunities for people with special needs and reduce waste disposal to landfill through recycling.**

Comment [BH1]: May need amending by time of publication.

### 1. We will work with partner organisations to combine our efforts on improving neighbourhoods and communities

- We will work with our contractors and partner organisations to offer job, training and apprenticeship opportunities to our residents
- We will continue to work with partners such as Barnet Council, Barnet Police, Barnet Community Projects, Barnet Football Club, Nutmeg, Catch 22, and the Barnet Play Association on a wide range of projects to benefit the community and encourage involvement. We will jointly evaluate the impact of projects and campaigns
- We will work with Community Barnet to offer opportunities for staff, members of the community and residents to work together.

### 2. We will encourage residents to become more involved in their local neighbourhood and effect improvements

- We will give encouragement and help to residents interested in establishing residents' associations, and offer ongoing support
- By offering pro-active advice, support and encouragement, we will help other individuals and groups successfully complete projects that will make a positive difference to their neighbourhood or community
- We will evaluate the success of our first 'local offer' to review the frequency of caretaking at residents' request. If successful, we will consult residents on further local offers to benefit individual neighbourhoods
- We will hold further 'Love where you live' days to encourage residents to help Barnet Homes staff in carrying out long-term environmental improvements on targeted estates

- We will recognise and reward those residents who have improved the environment of their estates and the wellbeing of other residents through our annual Finest Flowers competition and Resident Awards, and promote these awards to inspire others
- We will continue to invest in employment and training programmes for residents and offer accredited Chartered Institute of Housing training in-house.

### **3. We will provide or support other services with wider community benefits**

- Subject to funding agreements, we will support the creation and future work of a new charitable furniture recycling project, Barnet Reuse Centre. This will benefit the wider community as well as many Barnet Homes residents by offering good quality furniture at discounted rates, new jobs and work experience opportunities for people with special needs and reduce waste disposal to landfill through recycling.
- We will encourage non-Barnet Homes residents and organisations to sign up to our Assist emergency alarm service and lone worker monitoring scheme through a dedicated promotional campaign
- We will support residents with projects they wish to introduce in their community by making applications to the National Lottery and other funding sources, or helping them to make their own applications

**Barnet Homes**

Board / Sub Group:	Board
Date:	24 January 2011
Title of Report:	Budget Headlines 2011/12
Purpose of Report:	To advise Board Members of some of the key developments expected in the 11/12 budget.
Classification: General Release / Exempt (if exempt state relevant ground)	General Release

**Report Summary:**

This report sets out some of the key developments expected in the 11/12 budget. Preparation of the budget is well under way, and Barnet Homes is on track to deliver at least £1m of efficiencies. However, a number of cost increases are expected and there may be a reduction in the management fee from the Council.

**Recommendations:**

1. That the Board consider and note the report.

Report Author:	Gary Pliskin Head of Finance	Date:	10 <sup>th</sup> January 2011
Telephone:	020 8359 4944	Email:	gary.pliskin@barnethomes.org

## **1. Policy context/ Business Aim**

- 1.1 The preparation of the annual budget is key to the sound management of Barnet Homes Limited and in supporting the Company in achieving its business objectives.

## **2. Outline of the issue**

- 2.1 The preparation of the 2011/12 budget is well under way. This paper summarises some of the key changes and developments that have so far been identified. It should be noted that this is a headline report and that the detailed budget proposals will be reported to the Board in March.

- 2.2 **Salary increases.** The Government have stated that there will be no salary increase for employees earning above £21,000. Employees earning £21,000 or less, will get a flat rate increase of £250 each. The overall additional cost to Barnet Homes is expected to be only £11,000.

- 2.3 **Employers' pension contribution.** Barnet Homes currently makes a contribution of 27.8% of gross salary for each employee in the Local Government Pension Scheme. We are waiting for a new triennial valuation, which is expected by the end of March. However, draft figures from the actuaries show that the contribution rate is likely to increase to 29%, which will result in an extra £83,000 of cost. Changes to this rate will remain a risk, as it won't be finalised until after our final budget has been approved.

- 2.4 **Utility costs.** The budget will probably have to be increased, in line with increasing utility charges, to about £1.55m. This is an additional cost of £150,000.

- 2.5 **General inflation.** To control overall costs, no provision has been made for general inflation. This is the second year that we propose to cap expenditure budgets at current levels. So, in real terms, expenditure budgets are all being reduced for the second year.

- 2.6 **Insurance.** We are currently re-procuring insurance services. We are anticipating a cost increase of around 10% to reflect current market rates. This will result in an additional cost of around £27,000.

- 2.7 **Other cost increases.** We work hard to control and contain costs within existing budgets where possible. During this budget review all managers have been required to justify their proposed expenditure and this has also been rigorously challenged by the Executive Team. We have also identified a number of small corrections needed to the base budgets to reflect changing circumstances

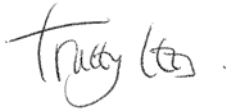
The overall impact of these changes is estimated to be in the region of £50,000 to £75,000. This work is still in progress and we will bring a detailed summary of the exact figures with the final business plan in March.

- 2.8 **Service level agreements (SLA's).** Barnet Homes purchases approximately £2.1m of services a year from the Council under SLA. The Council have been asked to make efficiencies in the region of 5% (£106,000) and to reduce the SLA charges by this amount, but this is still under negotiation.

- 2.9 **Management fee and other income.** The Council have indicated that they anticipate a reduction in our management fee. Income from the Fire Brigade, Choices for Grahame Park and minor Private Sector Leasing repairs is expected to reduce by a total of £65,000.
- 2.9.1 **Opening budget position.** The budgeted loss for the year end (YE) 31 March 2011 is £348,000. A decision will need to be made as to whether to budget for a loss for another year, drawing down on reserves again in YE 31 March 2012, or to aim for break even by making the necessary efficiencies and cost savings. (Our reserves at 1 April 2011 are likely to be between £1.2m and £1.4m.)
- 2.9.2 **Rent increase and the HRA.** Rents are likely to increase by more than six per cent and service charges by more than five per cent in April 2011. The HRA is ringfenced for council housing.
- 2.9.3 **Contingencies and uncertainties.** There are a number of contingencies that could potentially incur substantial cost in 11/12. It may be necessary to make a provision in the budget for some of these costs. They are as follows:-
- Possible move to new premises.
  - One-off employment costs relating to the Council's sheltered housing review.
  - One-off costs of securing and delivering the New Business Strategy particularly in relation to Housing Needs and Resources and some Adult Social Care Services coming to Barnet Homes
  - Mobilisation of new repairs contractors.
- 2.9.4 **Establishment list restructure.** The restructure of the senior management team, along with other reductions in the establishment list that have occurred so far this year, are expected to save approximately £500,000 in salary costs in the 11/12 budget.
- 2.9.5 **Other potential efficiencies.** Other potential efficiencies totalling in excess of £500,000 have now been identified, . These cover various areas including repairs (from Lovells), Home Ownership, regeneration and grounds maintenance. See also 2.99 The Council's Budget position.
- 2.9.6 **Repairs procurement efficiencies.** Any efficiencies that result from the procurement of the repairs service, are impossible to quantify at present, and are only expected to substantially materialise in the following financial year – 12/13.
- 2.9.7 **Capital income for salaries.** A proportion of the salary costs of staff involved in capital works is received as income from the Council. The calculation of this budgeted income stream is underway, and may well result in a lower level of income for 11/12.
- 2.9.8 **Detailed budget.** A detailed budget will be presented to the Board in March 2011 for approval and will show the starting point, efficiencies and proposed adjustments required for 2011/12.

2.9.9 **Council's budget position.** The Council is seeking to achieve overall net efficiencies of 5% in the 11/12 budget. We are still in negotiation with the Council regarding the proposed management fee for 11/12. Our preferred option is to freeze the management fee at current levels and deliver £1m of efficiencies/ cost reductions. We consider this to be reasonable following our excellent track record in achieving efficiencies to-date which amount to a £4.7m (15%) reduction in our operating costs since 2004/5. The Council has however asked us to find further efficiencies to more closely mirror those being sought within the Council. We have therefore identified potential additional efficiencies that take the proposed total to £1.425m. At the time of drafting the discussions with the Council are ongoing and we will provide a further verbal update at the meeting of the level of efficiencies we have been required to make.

**Approved by Chief Executive Officer:**

A handwritten signature in black ink, appearing to read 'Tracy Lee', with a small flourish at the end.

**Date: 12<sup>th</sup> January 2011**

**Barnet Homes**

Board / Sub Group:	Board
Date:	24 January 2011
Title of Report:	Board Size
Purpose of Report:	To agree whether to pursue a further reduction in the board from 12 to 9.
Classification: General Release / Exempt (if exempt state relevant ground)	General release

<b>Recommendations:</b>
<ol style="list-style-type: none"> <li>1. That the Board considers and decides on the process and timescale for implementing the reduction from 12 to 9 Board Members.</li> <li>2. That the Board also comments on the proposal to carry out a Board skills audit.</li> </ol>

Report Author:	Cora Vigar Acting Director of Business Services	Date:	7 January 2011
Telephone:	0208 359 4120	Email:	Cora.vigar@barnethomes.org

- 1. Policy context/ Business Aim**
  - 1.1 A lean, fit-for-purpose and business-like board is at the heart of good governance and underpins all business aims.
- 2. Outline of the issue**
  - 2.1 At the September meeting the Board considered whether to further reduce the Board members from 12 to 9 and agreed to review this following the review of sub-groups.
  - 2.2 The sub-groups have now been disbanded and a new Audit & Risk Committee has been set up. The Council has in the meantime also indicated that it does not intend to fill the 4<sup>th</sup> Council vacancy and there is already a tenant vacancy following Peter Brown's resignation. So this reduction could already be said to have started and should be formalised.

## **2.3 Resident Places**

- 2.3.1 There is 1 leasehold board position and it is proposed to retain this to ensure that leaseholders' views continue to be represented at Board level. The leasehold position is up for election next year (2012).
- 2.3.2 The existing tenant board places are currently elected by geographical area (East, West and Regeneration estates). However this basis is no longer considered relevant as the role of a tenant board member is to represent all tenants not just a specific geographical area. It is therefore proposed to change the basis of tenant board elections and to open future elections to tenants across the borough. The process of holding a preliminary interview to determine which candidates should go forward to election based on suitability and skill is proposed to continue.
- 2.3.3 To avoid the disruption of putting both tenant places up for re-election this year and also as one of the positions has only just been appointed to, it is proposed to phase in the proposed change over the next 2 years.
- 2.3.4 There would be nothing to prevent existing postholders from standing for re-election; indeed they would be encouraged to do so.

## **2.4 Independent Places**

- 2.4.1 Independent board members are not subject to election and we have been very fortunate in recently recruiting a board member with excellent financial skills through an executive recruitment search.
- 2.4.2 With the proposed reduction in the Board and the prospect of taking on significant new business from the Council, it becomes even more important for the Board to ensure that has the right skills and expertise within its ranks. It is therefore proposed to carry out a skills audit to determine whether any specific gaps need to be filled in this year's board retirement cycle.
- 2.4.5 The Board is asked to consider and comment on the process that should be followed.

## **2.5 Co-options to the Board**

- 2.5.1 The Board currently has one co-opted director (Charmaine Young CBE) who has provided very valuable support and continuity, particularly on regeneration issues. It is proposed that, with Charmaine's agreement, this co-option should continue.

## **2.6 Proposed process**

- 2.6.1 If these proposals are agreed, the Council's formal approval will be sought. This is not expected to be an issue as the Council has already indicated its support for a further reduction.

- 2.6.2 Under existing delegated powers, the approval of procedures for the conduct of elections for tenants and leaseholder Board members is a decision for the Board to take in consultation with residents. As the proposed reduction in board size is likely to be a matter of interest to all residents, it is proposed to canvass residents' views through AtHome magazine in March 2011 and also to place an article on the website.
- 2.6.3 It will also be necessary to inform the Secretary of State for Communities & Local Government as this change represents a change to the existing section 27 consent. This is also not envisaged to be an issue as it is becoming increasingly common for ALMOs to carry out this change in order to improve and strengthen their governance arrangements.
- 2.6.4 We will update the Board on feedback from the above in March 2011. Once all necessary approvals are in place, a resolution will be drafted for the Council's formal approval and changes to the Articles of Association.

### **3. Tenant & leaseholder implications**

- 3.1 As indicated above, it is proposed to canvass all residents' views on these proposed changes through AtHome magazine and the website. This will convey that Barnet Homes remains fully committed to the representation of residents on the Board and that the Board is looking to become more efficient by streamlining its operation. The number of board members will reduce equally across all constituent groups to ensure residents' views and interests continue to be represented at board level in the same proportions as currently and therefore this change is not expected to be controversial.

### **4. Equality & Diversity Implications**

- 4.1 The Board has always strived to ensure that vacancies for resident and independent positions on the board are advertised as widely as possible to attract applications from all sections of the community.

### **5. Financial & Risk Management Implications**

- 5.1 There is the potential for important skills, experience and continuity to be lost from the Board however the proposals outlined seek to mitigate this risk by carrying out a board skills audit and also phasing in the changes.

**Approved by Chief Executive Officer:**



**Date: 10<sup>th</sup> January 2011**

**Barnet Homes**

Board / Sub Group:	Board
Date:	24 January 2011
Title of Report:	Budget Monitoring 2010/11 – eight months to 30 November 2010
Purpose of Report:	To advise Board Members of the budgetary position.
Classification: General Release / Exempt (if exempt state relevant ground)	General Release

<b>Report Summary:</b>
This report sets out the budgetary position for the Company on a year to date basis as at the end of November 2010 and projects the full year figures for 2010/11.

<b>Recommendations:</b>
1. That the Board consider and note the report.

Report Author:	Laura Awosile Chief Accountant	Date:	23rd December 2010
Telephone:	020 8359 4063	Email:	laura.awosile@barnethomes.org

**1. Policy context/ Business Aim**

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

**2. Outline of the issue**

2.1 Attached as Appendix 1 is the profit and loss account for Barnet Homes for eight months to 30<sup>th</sup> November 2010, together with the full-year projection for year 2010/11. The projection is a full year net loss of £419,000 compared with the budgeted net loss of £349,000, a net position of £70,000 overspend. This position forecasts that any overspend in repairs and maintenance will be funded by the Housing Revenue Account (HRA).

2.2 Legal costs are now projecting a £77,000 overspend for the full year, an improvement of £30,000 from last reported. This has primarily arisen as a result of a number of employment tribunal cases having been concluded. Legal costs relating to illegal occupancy have been analysed and we are awaiting a response from the Council regarding reimbursement of costs.

2.3 Other Employee Related costs is forecasting a full year overspend of £26,000. This is primarily due to increased staff advertising and recruitment costs in this financial year as a result of the senior management restructure.

2.4 The full year projection for repairs and maintenance is an overspend of £405,000 and is attached as Appendix 2. The forecast overspend is primarily as a result of Total Void Costs (£738,000), which has been subsidised to some extent by the underspend in Planned Estate Maintenance (£375,000). The overspend in voids is largely due to the refurbishment of an additional 100 voids in Regeneration estates, arising from significant decanting activity on Grahame Park and Stonegrove Estates. This is an additional cost in this financial year. Average cost per Regeneration Void is £3,500 - £4,000, a result of lack of historic investment through the decent homes programme.

2.5 A request for additional funding of £365,000 to cover this extra cost has been recently made to the Council and we await the outcome of this request. In addition, the insolvency of Connaught Ltd and subsequent issues with their incumbent supply chain contractors also caused cost pressures on routine void works. From January 2011, as part of our systems thinking review of the voids repairs process, we will undertake internal inspections of voids in-house to help ensure greater control of the process and costs. It will also enable us to pilot a more variable voids standard.

2.6 The capital programme position to the end of November is attached as Appendix 3. As previously reported to the Standards and Asset Management Sub Group on 19<sup>th</sup> October 2010 the programme this year is facing significant slippage. There are four main areas of work that have contributed to the £3,661,000.00 slippage in the 2010/2011 Capital Programme.

These are:

- £1,400,000 from the United House contract (Decent Homes contract)
- £1,100,000 from the Granville Road refurbishment project
- £850,000 from the fire risk assessment works
- £200,000 from Cavity Wall insulation programme

### **United House**

£1,000,000 of the total slippage will be carried over into the 2011/2012 Capital Programme for completion. The slippage is due to difficult schemes requiring extensive leasehold consultation and difficult planning requirements. The remaining £400,000 reinvested into other areas of the Capital Programme.

### **Granville Road**

The extensive planning process and technical difficulties in securing the mask climbers to the concrete structure of the blocks has delayed the start of the programme. This work is now on site. Apollo have confirmed that the delay in programme will not affect the completion date and when possible the programme will be accelerated to make up for the delay to start on site.

### **Fire Risk Assessment Works**

Due to a delay in the procurement process the delivery of this work has slipped into next year's Capital Programme. Any urgent works are being completed under the repairs contract with Lovell to reduce risk. Tenders have now been received and are in the process of evaluation; therefore we will be in a position to start delivering this work in April 2011.

### **Cavity Wall Insulation**

There is an efficiency saving of £200k in this programme due to the delivery of these works at a lower cost per property than anticipated. Therefore we have been able to insulate more homes than were originally included in the funding agreement with the HCA at a lower cost per property,

2.7 In conclusion in previous years any slippage was mitigated by the ability to bring certain DH work packages forward without the need for lengthy procurement processes. Due to the end of the DH programme this year it has not been possible to do this while we develop the forward programme. Once the forward programme has been procured we will once again be able to bring forward work to mitigate slippage in other areas. The slippage this year has not affected Barnet Homes decency figures.

2.8 The balance sheet as at 30<sup>th</sup> November 2010 is attached as Appendix 4.

### **3. List of Appendices**

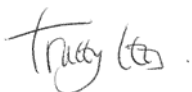
3.1 Appendix 1 – Profit and Loss Statement, eight months to 30<sup>th</sup> November 2010.

3.2 Appendix 2 – Repairs and Maintenance Summary Report, eight months to 30<sup>th</sup> November 2010.

3.3 Appendix 3 – Balance Sheet as at 30<sup>th</sup> November 2010

3.4 Appendix 4 – Capital Programme report 2010/2011

**Approved by Chief Executive Officer:**



**Date: 10<sup>th</sup> January 2011**

	Year to date			Full Year (2010/11)		
	Actual	Budget	Variance Fav/(Adv)	Projection	Budget	Variance Fav/(Adv)
	£'000	£'000	£'000	£'000	£'000	£'000
<b><i>Income</i></b>						
LBB - General Management Fee	12,235	12,233	2	18,350	18,350	0
LBB - Repairs & Maintenance	5,533	5,533	(0)	8,705	8,300	405
LBB - Capital Works	464	451	12	695	677	18
LBB - Other Fees	61	66	(5)	106	99	7
Rechargeable Works	32	-	32	48	-	48
General Fund Hostels	43	100	(57)	65	150	(85)
Third Party Income - Grants	80	119	(39)	120	179	(59)
Third Party Income - Other	70	62	8	111	93	18
<b>Total Income</b>	<b>18,518</b>	<b>18,565</b>	<b>(47)</b>	<b>28,200</b>	<b>27,847</b>	<b>353</b>
<b><i>Expenditure</i></b>						
Management Costs excl. contingency	9,670	9,898	228	14,859	14,846	(13)
Operational Costs	2,436	2,404	(32)	3,606	3,605	(1)
Other Costs	805	774	(31)	1,196	1,163	(33)
Depreciation	97	103	6	146	154	8
Repairs and Maintenance	4,950	5,551	602	8,732	8,327	(405)
Rechargeable Works	32	-	(32)	48	-	(48)
General Fund Hostels	43	100	57	65	150	85
HRA Hostels	4	-	(4)	7	-	(7)
Contingency	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>18,037</b>	<b>18,830</b>	<b>793</b>	<b>28,659</b>	<b>28,245</b>	<b>(414)</b>
<b>Operating Profit/(Loss)</b>	<b>481</b>	<b>(265)</b>	<b>747</b>	<b>(459)</b>	<b>(398)</b>	<b>(61)</b>
<b>Bank interest income receivable</b>	<b>34</b>	<b>46</b>	<b>(13)</b>	<b>55</b>	<b>69</b>	<b>(14)</b>
<b>Corporation tax payable</b>	<b>10</b>	<b>13</b>	<b>3</b>	<b>15</b>	<b>19</b>	<b>4</b>
<b>Net Profit/ (Loss)</b>	<b>505</b>	<b>(232)</b>	<b>737</b>	<b>(419)</b>	<b>(348)</b>	<b>(70)</b>

**Memorandum**

2010/11 projected full year Net Profit/(Loss)	(419)	(348)	(70)
2010/11 forecast transfer from P&L reserves (budgeted loss is £348,500)	419		
<b>2010/11 Forecast Surplus after transfer from Reserves</b>	<b>-</b>		

**Notes**

- As at November 2010 year to date, the full year projection is a Net Loss of £418,572, a decrease of £30,100 from last month. The decrease is primarily as a result of the increased underspend in Corporate Services (£37,000). This position assumes that any forecast overspend in repairs and maintenance will be funded by the Housing Revenue Account (HRA).
- For this financial year, Barnet Homes current budgeted outturn is a net loss of £348,500. The current full year forecast loss is greater than the budgeted position by £70,072.
- Current full year Repairs and Maintenance expenditure is forecast to have an overspend of £404,891. The forecast repairs income has been increased to take account of that overspend so that there is no effect on Barnet Homes overall position. The overspend is as a result of total void costs which have been subsidised to some extent by the underspend in planned estates maintenance.

**REPAIRS AND MAINTENANCE  
NOVEMBER 2010 YEAR TO DATE**

**Appendix 2**

**SUMMARY REPORT**

	NOVEMBER 2010 YTD			FULL YEAR			
	YTD Actual	YTD Budget	Variance (ADV)/FAV	2010/11 Projection	2010/11 Budget	Variance (ADV)/FAV	2009/10 Actual
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>EXPENDITURE</b>							
<i>Direct Cost</i>							
Total Responsive Repairs	1,820	2,027	206	3,040	3,040	(0)	516
Total Planned Repairs/Works	402	634	231	970	951	(19)	1,751
Total Cyclical Works	208	437	229	655	655	(0)	1,466
Total Planned Estate Maintenance	186	593	407	515	890	375	3,478
Total Void Works	1,282	800	(482)	1,938	1,200	(738)	679
Total Gas Repairs/Works	1,027	1,053	27	1,580	1,580	(0)	557
<b>Total Direct Cost</b>	<b>4,925</b>	<b>5,544</b>	<b>618</b>	<b>8,697</b>	<b>8,316</b>	<b>(382)</b>	<b>8,447</b>
<i>Indirect Cost</i>							
Insurance Recharge Write Back	0	0	0	0	0	0	36
Other Costs	24	8	(17)	34	11	(23)	23
<b>Total Indirect Cost</b>	<b>24</b>	<b>8</b>	<b>(17)</b>	<b>34</b>	<b>11</b>	<b>(23)</b>	<b>59</b>
<b>Total Repair Costs</b>	<b>4,950</b>	<b>5,551</b>	<b>602</b>	<b>8,732</b>	<b>8,327</b>	<b>(405)</b>	<b>8,506</b>

The full year forecast underspend is primarily used to subsidise the forecast overspend in total void costs.

Year to date Void costs overspend is mainly as a result of Total Void Works (£457,465) and Total Decoration Vouchers (£24,362). Total Void Works includes the expenditure relating to United House Revenue Void Works (£243,082). The decoration vouchers overspend is mainly as a result of using vouchers to refurbish properties mainly in the Regeneration areas (Lean Review).

Year to date cost includes an accrual for Tenant Decant costs (£12,000), which relates to temporary accommodation.

Full year costs are being projected to have an overspend of £404,891

**Notes**

The repairs year to date expenditure is £4.950m, with an underspend of £601,682. This does not include any active commitment costs which are expected to be completed in this financial year.

The full year expenditure is currently being forecast to have an overspend of £404,891.

**BARNET HOMES LTD**  
**BALANCE SHEET**  
**AS AT 30 NOVEMBER 2010**

**Appendix 3**

	At 30 November2010 £	At 30 November2010 £	At 30 November2010 £	At 31 March 2010 £	Movement £
<b>Fixed assets</b>					
<b>Tangible fixed assets</b>					
Fixtures, Fittings & Equipment		45,037		59,091	
Vehicles, Plant & Machinery		33,394		36,759	
Computer Equipment		220,484		260,243	
			298,916	356,093	(57,177)
<b>Investments</b>					
Loan to LAPN			40,196	40,196	0
			339,112	396,289	(57,177)
<b>Current assets</b>					
Stock		23,025		20,605	
Trade debtors		51,132		10,945	
Amounts owed by Parent Undertaking		4,982,885		3,206,496	
VAT		(0)		446,396	
Other debtors		3,501		11,305	
Prepayments and accrued income TP		218,402		313,966	
Net cash at bank and in hand					
Cash & imprest bank a/c's	2,301			2,388	
Bank Current a/c	(913,570)			(448,824)	
Bank Deposit a/c	7,081,990			5,430,068	
Overnight Treasury Deposit	0			0	
Weekly Treasury Deposit	0			0	
Monthly and > Treasury Deposit	3,000,000			5,000,000	
		9,170,720			
			14,449,666	13,993,345	456,321
<b>Current liabilities</b>					
Trade creditors		(599,892)		(3,223,636)	
Amounts owed to Parent Undertaking		(8,392,822)		(5,923,617)	
VAT		(603,496)		0	
Corporation tax		(27,340)		(17,507)	
Other Taxation and Social Security		(217,734)		(258,627)	
Accruals and Deferred Income (TP)		(2,436,248)		(3,001,786)	
Other creditors		(220,522)		(178,977)	
			(12,498,055)	(12,604,150)	106,095
Net current assets/ (liabilities)			1,951,611	1,389,195	562,416
<b>Total assets less current liabilities</b>			2,290,723	1,785,484	505,239
<b>Long-term liabilities</b>					
Provisions for liabilities		(52,477)		(52,477)	
FRS17 Pension Deficit		(19,306,000)		(19,306,000)	
			(19,358,477)		
<b>Net (Liabilities)/Assets</b>			(17,067,754)	(17,572,993)	505,239
<b>Capital and Reserves</b>					
Profit and Loss Account			(17,067,754)	(17,572,993)	505,239

## Capital Programme Report 2010/2011

Item	Original Budget	Estimated projected end of year spend	Actual spend to 08/12/2010
BB incl Retns & decent homes voids west	600,000.00	520,000.00	3,850.58
UHL*	9,236,000.00	7,800,000.00	5,205,085.59
Sheltered	4,000.00	40,000.00	10,238.11
Granville Rd*	2,714,000.00	1,600,000.00	324,052.81
Pilot-Atholl Houses	40,000.00	30,000.00	3,840.25
Chilvins Court	0.00	24,000.00	24,429.79
	<b>12,594,000.00</b>	<b>10,014,000.00</b>	<b>5,571,497.13</b>
General Fund Hostels	621,000.00	612,000.00	34,775.00
Digital Aerials	1,150,000.00	750,000.00	37,000.80
Adaptations	1,000,000.00	1,000,000.00	606,462.97
Extensions & Deconversions	415,000.00	665,000.00	3,939.12
Regeneration	1,400,000.00	1,200,000.00	604,971.67
Voids			
Voids(normal)	400,000.00	633,000.00	271,716.98
Regen voids	300,000.00	300,000.00	93,566.41
	<b>700,000.00</b>	<b>933,000.00</b>	<b>365,283.39</b>
Boiler/CH Renewals (M & E)		300,000.00	
Electrical upgrades(Internal)		500,000.00	
Water mains		125,000.00	
FED(Front Entrance Door)		25,000.00	
Kitchens		50,000.00	
HEES		60,000.00	
Structural		200,000.00	
Roofing		300,000.00	
Bathroom upgrades		40,000.00	
Planned Htg/Boiler replacement		300,000.00	
	<b>1,560,000.00</b>	<b>1,900,000.00</b>	<b>765,989.08</b>
Pumps & Fans	50,000.00	50,000.00	15,233.45
Fire safety*	900,000.00	50,000.00	0
Elec Rising mains	110,000.00	70,000.00	13,042.65
lift Renewals	450,000.00	430,000.00	14,642.65
water tanks	275,000.00	180,000.00	49,619.12
Communal Boiler	350,000.00	180,000.00	116,429.40
	<b>2,135,000.00</b>	<b>960,000.00</b>	<b>208,967.27</b>
Cavity Wall Insulation*	1,500,000.00	1,300,000.00	630,248.47
Future Scheme fees	0.00	80,000.00	20,674.48
Capitalised Sals (Spend included in the above projects(for budget and actual))	677,000.00	677,000.00	463,731.00
Salary for pre decent homes works.			9,012.72
<b>Total exp</b>	<b>23,752,000.00</b>	<b>20,091,000.00</b>	<b>8,858,822.10</b>

## Barnet Homes

Board / Sub Group:	Barnet Homes Board
Date:	24 January 2011
Title of Report:	Performance Management Information
Purpose of Report:	This report with attachments outlines the performance of Barnet Homes in its Pulse performance areas for the year to November 2010.
Classification: General Release / Exempt (if exempt state relevant ground)	General Release

## Report Summary:

Performance is shown on PULSE indicators at the end of the November 2010.

Overall performance is improving with more indicators at green than October and fewer at red and amber.

There are concerns about the performance of Lovell. A verbal update on the current position will be given at the meeting.

Feedback from the Performance Advisory Group on 10 January has been included.

**Appendices to this report:**

1. November 2010 PULSE performance report

## Recommendations:

1. That the Board notes the contents of the report.

Report Author:	David Thomas Head of Business Improvement	Date:	11 January 2011
Telephone:	0208 359 4949	Email:	david.thomas@barnethomes.org

**1. Policy context/ Business Aim**

1.1 Barnet Homes Business Aim 1 commits us to delivering excellent services for all our customers. This report seeks to measure our performance against our key targets and to identify corrective actions where targets are not being met. Business Aim 2 concerns value for money and this report measures that by tracking the effectiveness of income collection. Our third Business Aim is to manage our regeneration estates successfully and there are specific performance measures within the PULSE Performance report to follow this.

**2. Outline of the issues**

**2.1 Tenancy Involvement and Empowerment**

<b>TSA Standard:</b>	<b>Tenant Involvement and Empowerment</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• % Calls captured (call centre)</li> <li>• Average waiting time (call-centre)</li> <li>• Stage 1 Complaints Responded in 10 Working Days</li> <li>• Average Waiting Time for Major Adaptations</li> <li>• Assist Response Time</li> </ul>

2.1.1 Call centre answering performance remains on track for the year but dipped in month. There was an increase in calls handled

2.1.2 It is pleasing to report that Major Adaptations performance has continued to improve and is now at target level.

2.1.3 Assist call answering performance is on track for the year but did fall in month to just under target level. The main contributory factor was an increase in the volume of calls handled by just over 10%.

2.1.4 We believe that calls for the out-of-hours service are being directed into the same line as lifeline. We are working with our telephony provider to check this and plan a way to separately identify call-types in order to ensure alarm calls are prioritised. Early indications show that December performance is also below target level. We believe two spells of poor weather and the failure of heating on Grahame Park are the main contributory factors to higher than average out-of-hours calls.

**2.2 Home**

<b>TSA Standard:</b>	<b>Home - Repairs and Maintenance &amp; Quality of Accommodation</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• CP12 coverage</li> <li>• Repair Appointments</li> <li>• Repairs Completed in Time</li> <li>• Right First Time</li> <li>• Fire Safety Actions Completed</li> <li>• % Non-Decent Homes</li> <li>• Satisfaction with Decent Homes</li> </ul>

2.2.1 It is pleasing to report continuing strong performance in Gas servicing with coverage of 99.9% leaving only 8 cases outstanding.

2.2.2 Repairs performance reporting for Lovell commenced on 1 October and all relevant indicators have been redrawn to start from that point.

2.2.3 There have been the following issues in relation to the delivery of the contract:

- The backlog of orders from Connaught handover is not fully completed
- There has been some turnover of staff including the Contract Manager, although this post has been replaced.
- IT and telephony issues, the loss of real-time appointments via PDAs, the loss of real-time tracking of jobs, intermittent loss of communication via phone/email and downtimes in server/interface availability

2.2.4 We are currently preparing an updated assessment in the round of Lovell's performance and will be talking to customers, reviewing complaints, collating hard data and looking at the resourcing and structure of the contract.

2.2.5 We will give a verbal update at the Board and will be discussing findings at Core Group on 25<sup>th</sup> Jan.

### 2.3 Tenancy

TSA Standard:	<b>Tenancy</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• Average Relet Times</li> <li>• New Tenant Satisfaction</li> <li>• Number of Outstanding Voids</li> </ul>

2.3.1 Overall turnaround time has improved from October.

2.3.2 It is pleasing to report that the number of routine outstanding voids as at the end of November was 62. This is the lowest number for two years.

2.3.3 Of the 62, only 20 are from the regeneration estates, which is a significant improvement on the numbers previously reported. Eight of the twenty were longer term voids which had been decided would be used as emergency temporary accommodation by both the Council and ourselves, seven of the eight are now occupied.

2.3.4 Sheltered bedsits continue to be difficult to let and we are proposing to carry out work at a couple of blocks to convert bedsits into one bedroom flats.

2.3.5 Following discussions with the Council in late November it was decided that we should proceed with letting twenty five void properties on the Stonegrove estate. These properties had been held since June 2010 for the next regeneration phase initially anticipated to start in early 2012. It is unfortunately the case that the delay in reletting these properties will now have an adverse effect of the voids performance figures between now and the year end.

2.3.6 Good progress continues on the issues identified in the Voids Improvement plan, examples of this are:-

- The commencement of a lean review of the Voids process
- The commencement of a 3 to 6 months pilot with a member of Barnet Homes staff undertaking the pre and post inspecting 50% of all void properties

- A project plan developed and work started on the Assured Shorthold tenancies project
- The approval of the Council's new Allocation policy in Jan 2011
- Joint integration work between the Council's Housing Needs and our Voids and Lettings team towards the implementation of the new allocation policy from April 2011.

## 2.4 Tenancy - Leaseholders

TSA Standard:	<b>Barnet Homes' own commitment to apply TSA standards to leaseholders</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• % Annual Service Charge Collected</li> <li>• Major Works Income Collected</li> </ul>

2.4.1 There are no significant concerns.

## 2.5 Tenancy – Rents

TSA Standard:	<b>Rent</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• Current rent arrears</li> <li>• Average arrears of new tenants</li> <li>• Arrears as % debit</li> </ul>

2.5.1 There are no significant concerns although it should be highlighted that the Council is replacing its Housing Benefit system in the next quarter and it is possible that this may adversely affect rent arrears. We are working with the council's IT project team to militate against this.

## 2.6 Neighbourhood and Community

TSA Standard:	<b>Neighbourhood and Community</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• Estates achieving 2 stars at reality checks</li> <li>• Estates achieving 2 stars at reality checks (Regen)</li> <li>• Contact with serious ASB clients in 1 day</li> <li>• Tenancy sustainment of floating support cases</li> </ul>

2.6.1 Numbers of reality checks have increased and performance is just under target level.

## 2.7 Value for Money

TSA Standard:	<b>Value for Money</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• Average days lost to sickness</li> </ul>

2.7.1 There are no significant concerns.

## 3. Tenant & leaseholder implications

3.1 The production of appropriate and relevant performance information is one of the acknowledged ways in which social landlords are held accountable by their residents. Barnet Homes publishes its performance information on our website, within *AtHome* and through posters in receptions. In addition a resident PI report is on the website.

- 3.2 The Performance Advisory Group met on 10 January, reviewed November performance and raised the following questions:

<i>Question</i>	<i>Response</i>
How are urgent repairs diagnosed. Is incorrect allocation of priority a factor in poor on time performance?	Diagnosis process explained and details of priority work by type to be forwarded. Not felt to be a factor affecting in time performance as staff closely monitored on levels of Urgent orders raised.
What is the expected standard for reality checking? Do managers refer to previous estate inspections to check that outstanding repairs etc. have been completed?	Copy of managers' guidelines to be forwarded. Managers should check for outstanding items before re-inspecting. PAG members to be invited to attend reality checks.
Can PAG be supplied with performance information on how many repairs raised at estate inspection are complete/outstanding	This is to be drafted and supplied as part of future PI reports.
Can PAG be provided with the response numbers behind ASB satisfaction performance to give a full picture	This will be supplied in future

**4. Equality & Diversity Implications**

- 4.1 Reporting layout has been agreed with Board Members and replicates the layout used for Performance Advisory Group to ensure information is clear and easily understandable.

**5. Financial & Risk Management Implications**

- 5.1 Our main areas of concern and risk are around Lovell performance levels and turnaround times on void properties where there is a clear relationship to increased rent loss
- 5.2 Income collection has a direct relevance to the financial health of the Housing Revenue Account (HRA) and therefore Barnet Homes. In general terms the income collection indicators across Barnet Homes are performing strongly within this report with a potentially positive impact on the HRA.

**6. List of Appendices**

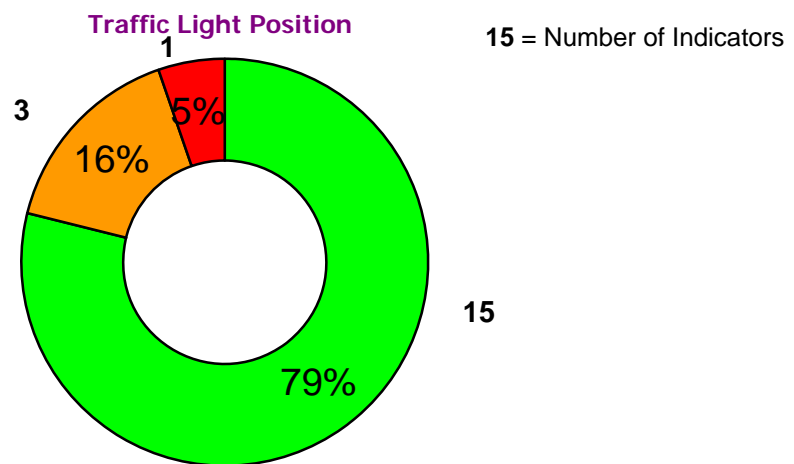
- 6.1 Appendix 1 – Pulse Performance Report November 2010

**Approved by Tracey Lees Chief Executive Officer:**

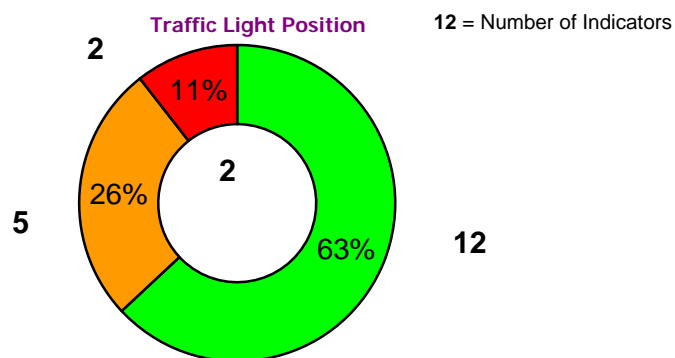


**Date: 13<sup>th</sup> January 2011**

# Barnet Homes PULSE Report



November 2010



October 2010

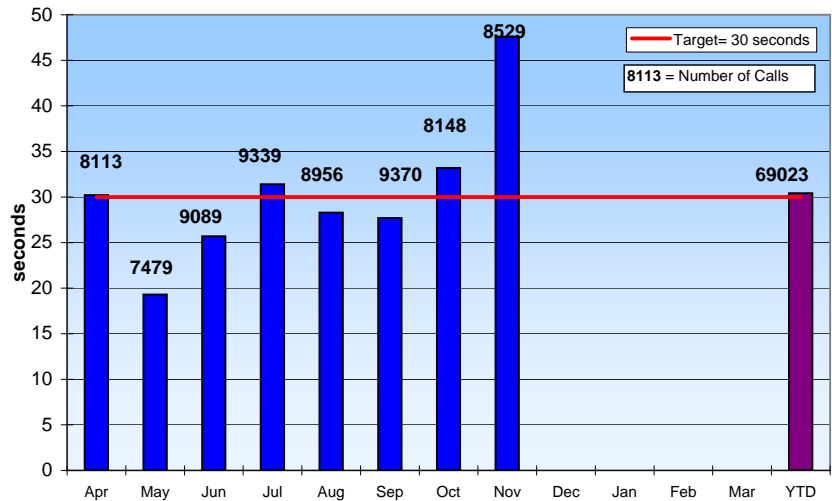
## 1) Tenancy Involvement & Empowerment

- customer service, choice & complaints; involvement & empowerment; understanding/responding to the diverse needs of tenants

### Average Wait Time ↓ ●

Average time a caller has to wait to speak to an operator after message

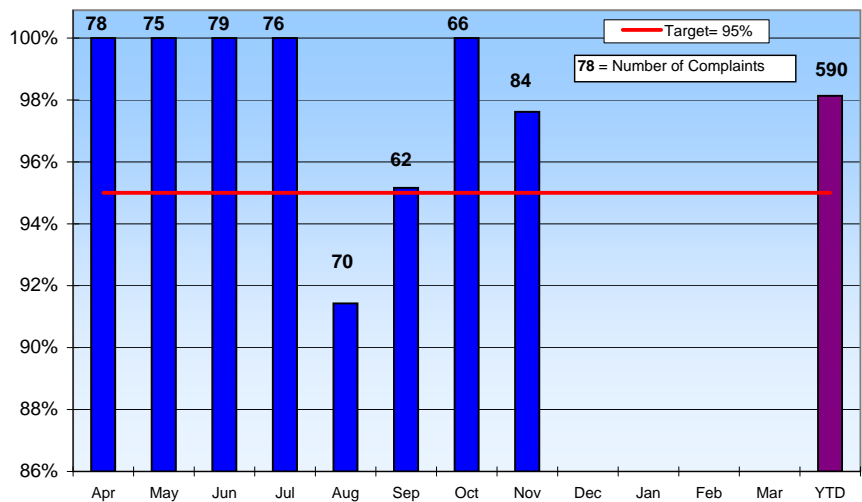
<i>End of Year Target</i> (Low is good)	30 secs
Nov 10 Performance	48 secs
Nov 09 Performance	59 secs
<b>YTD Performance</b>	<b>30 secs</b>



### Complaints ↓ ●

The percentage of stage 1 complaints replied in 10 working days

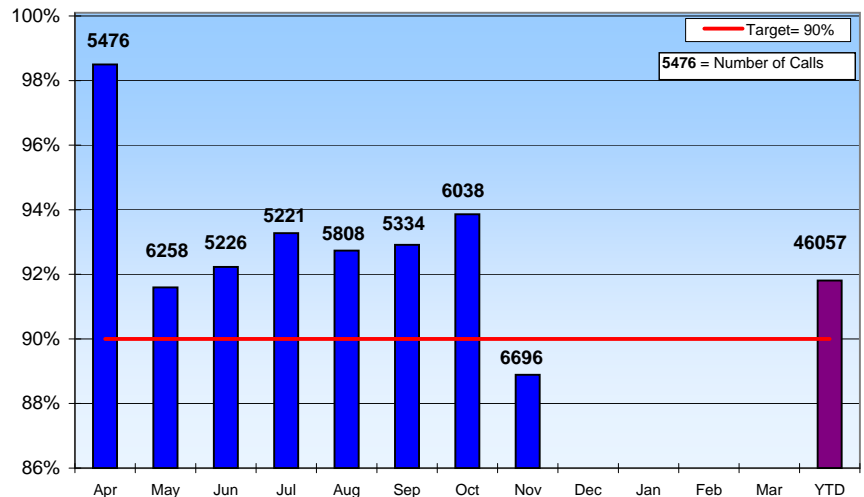
<i>End of Year Target</i> (High is good)	95%
Nov 10 Performance	98%
Nov 09 Performance	98%
<b>YTD Performance</b>	<b>98%</b>



### Assist ↓ ●

The percentage of calls responded to in 30 seconds

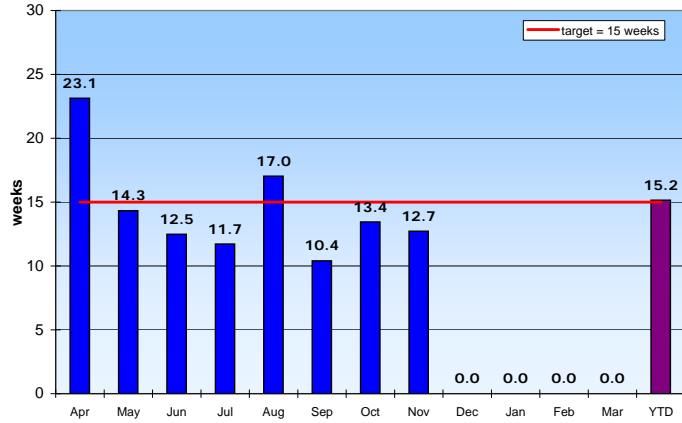
<i>End of Year Target</i> (High is good)	90%
Nov 10 Performance	89%
Nov 09 Performance	91%
<b>YTD Performance</b>	<b>91.8%</b>



## Adaptations ↑ ●

The average wait time from referral to start on site for major adaptations

End of Year Target (Low is good)	15 weeks
Nov 10 Performance	13 weeks
Nov 09 Performance	12 weeks
<b>YTD Performance</b>	<b>15 weeks</b>



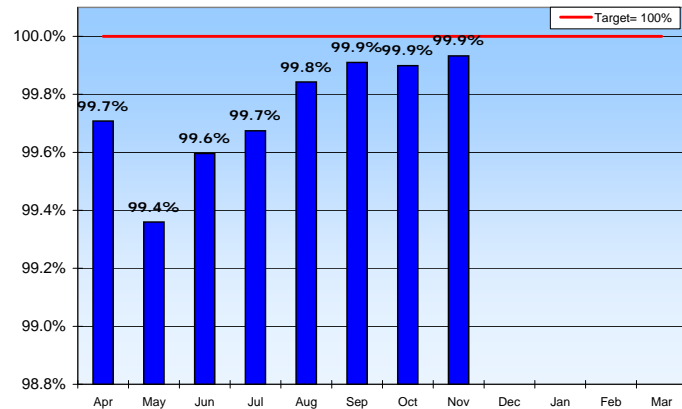
## 2) Home

- quality of accomodation; repairs & maintenance

### Gas Safety Checks ↔ ●

The percentage of homes with a CP12 safety certificate

End of Year Target (High is good)	100%
Nov 10 Performance	99.9%
Nov 09 Performance	99.4%
<b>Top Quartile (BPSA) = 99.6%</b>	

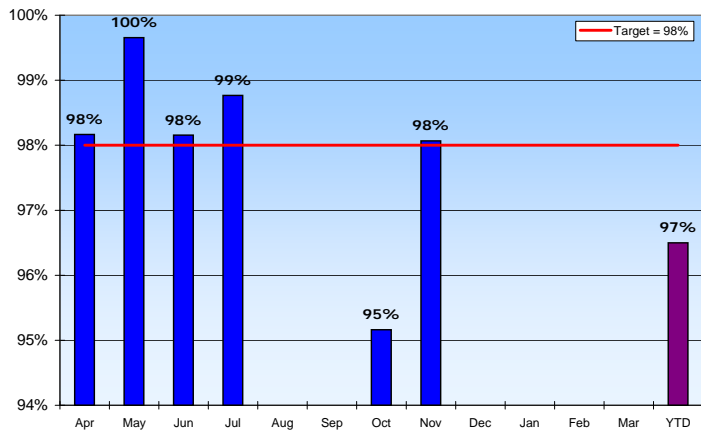


### Appointments ↑ ●

The percentage of appointments which were made and then kept

End of Year Target (High is good)	98.0%
Nov 10 Performance	98.1%
Nov 09 Performance	97.5%
<b>YTD Performance</b>	<b>96.5%</b>
<b>Top Quartile (HouseMark) = 96.9%</b>	

Note: No Data in Aug/Sep due to Connaught Administration  
Lovell performance starts Oct

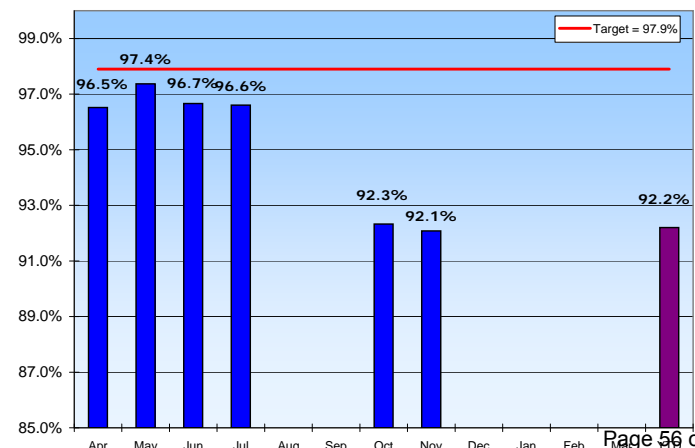


### Urgent Repairs ↓ ●

The percentage of urgent repairs completed within government time limits

End of Year Target (High is good)	97.9%
Nov 10 Performance	92.1%
Nov 09 Performance	99.0%
<b>YTD Performance</b>	<b>92.2%</b>
<b>Top Quartile (BPSA) = 98.0%</b>	

Note: No Data in Aug/Sep due to Connaught Administration  
Lovell performance starts Oct



# Barnet Homes Pulse Report



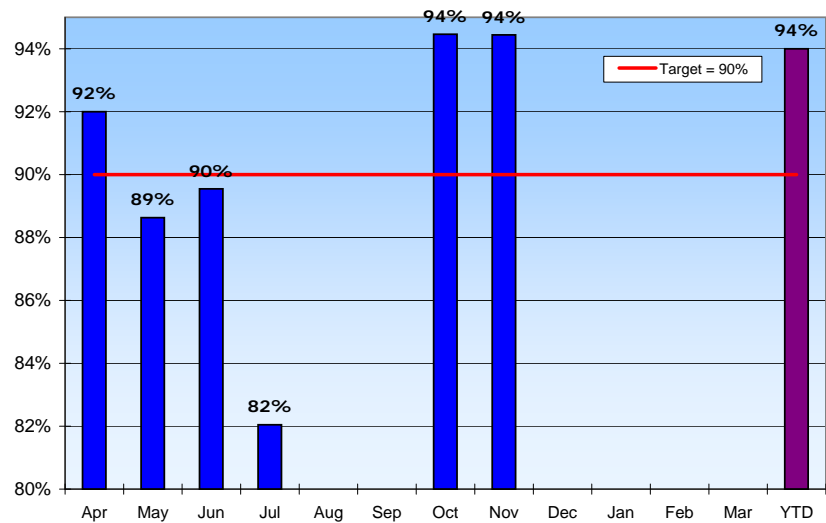
## Right First Time



The percentage of repairs which are completed right first time

End of Year Target (High is good)	90%
Nov 10 Performance	94.4%
Nov 09 Performance	99.0%
<b>YTD Performance</b>	<b>94.0%</b>

Note: No Data in Aug/Sep due to Connaught Administration  
Lovell performance starts Oct

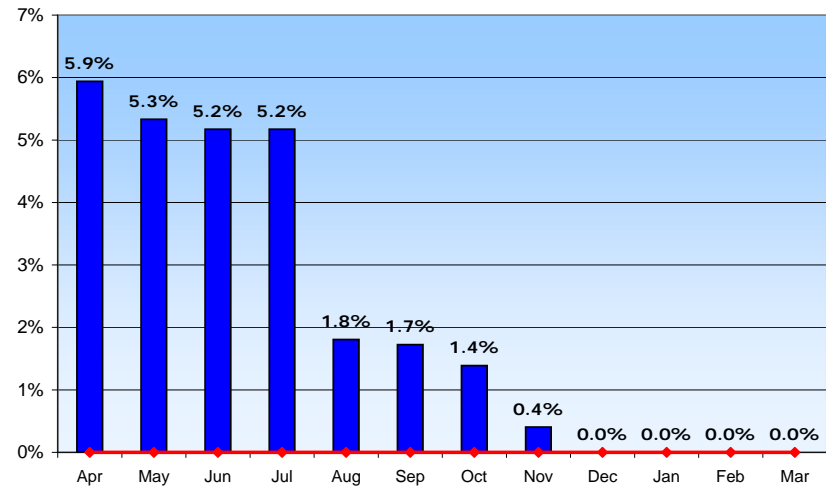


## Decent Homes



The percentage of non-decent homes excluding regeneration properties.

End of Year Target (Low is good)	0%
Nov 10 Performance	0.4%

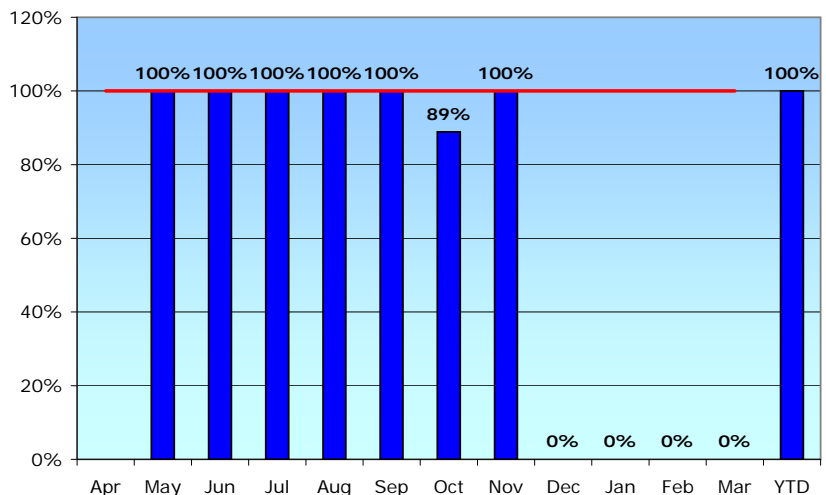


## Fire Safety



The percentage of fire safety actions complete within one month

End of Year Target (High is good)	100%
Nov 10 Performance	100%
Nov 09 Performance	New PI
<b>YTD Performance</b>	<b>100%</b>



## 3) Tenancy

- allocations; rents; tenure

### Relet Time



The average time it takes to relet an empty property.

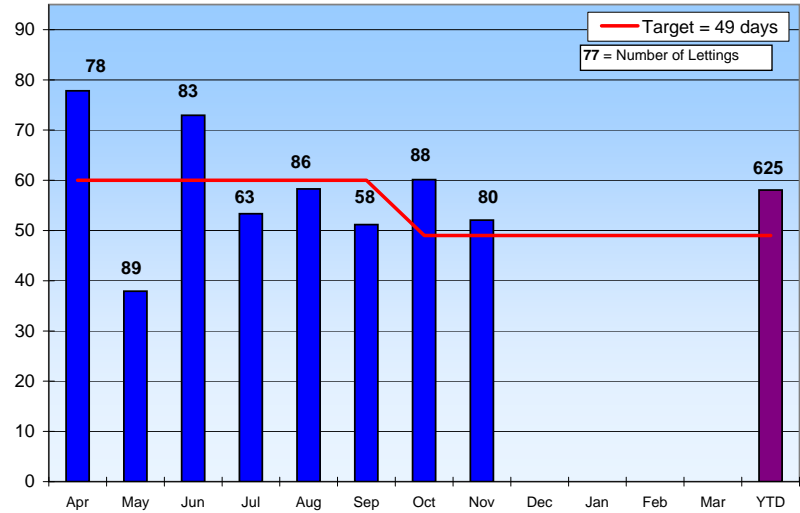
End of Year Target (Low is good) 49 days

Nov 10 Performance 52 days

Nov 09 Performance 48 days

YTD Performance 58 days

Top Quartile (BPSA) = 23.8 days



### Tenant Satisfaction



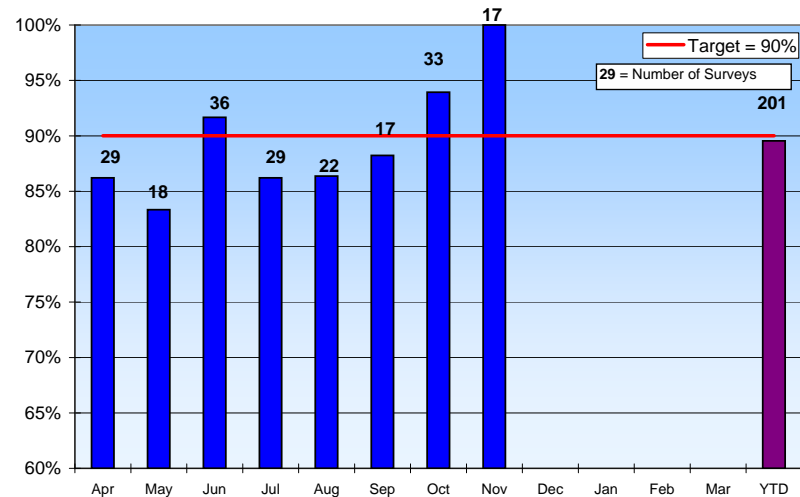
The percentage of new tenants satisfied with the condition of their new property

End of Year Target (High is good) 90%

Nov 10 Performance 100.0%

Nov 09 Performance 93.9%

YTD Performance 90%



### Outstanding Voids

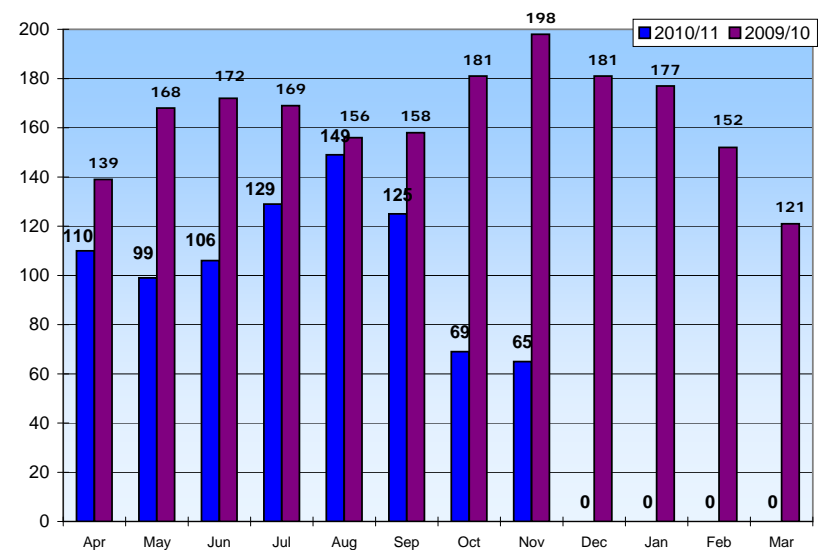


The number of empty properties at the end of each month

(Low is good)

Nov 10 Performance 65

Nov 09 Performance 198



# Barnet Homes Pulse Report

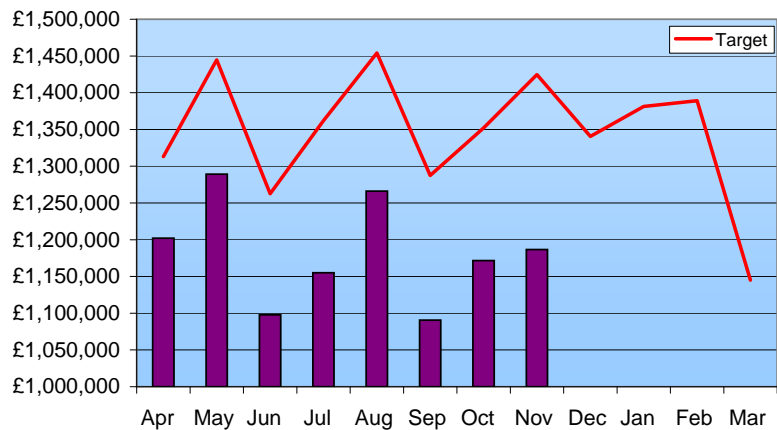


## Arrears



The level of rent arrears at the end of each month

End of Year Target (Low is good)	£1,145,000
Month Target	£1,424,603
Nov 10 Performance	£1,186,660
Nov 09 Performance	£1,385,918

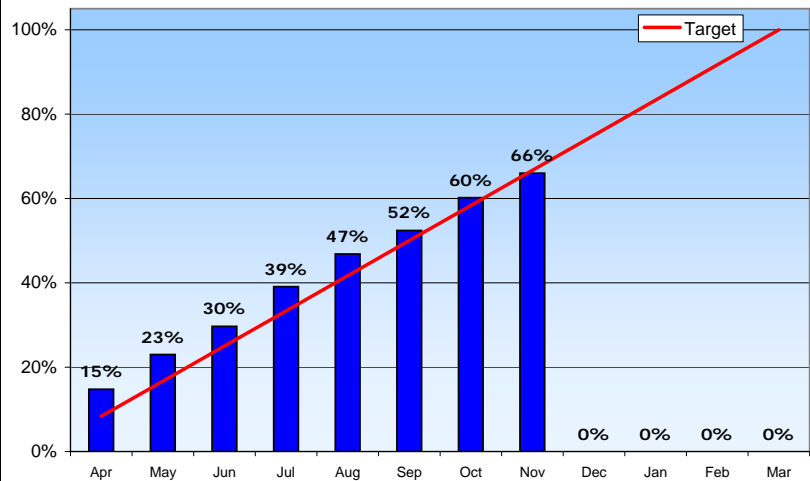


## Service Charge



% Annual Service Charge Collected this year

End of Year Target (High is good)	103%
Month Target	66.7%
Nov 10 Performance	66.0%
Nov 09 Performance	64.5%



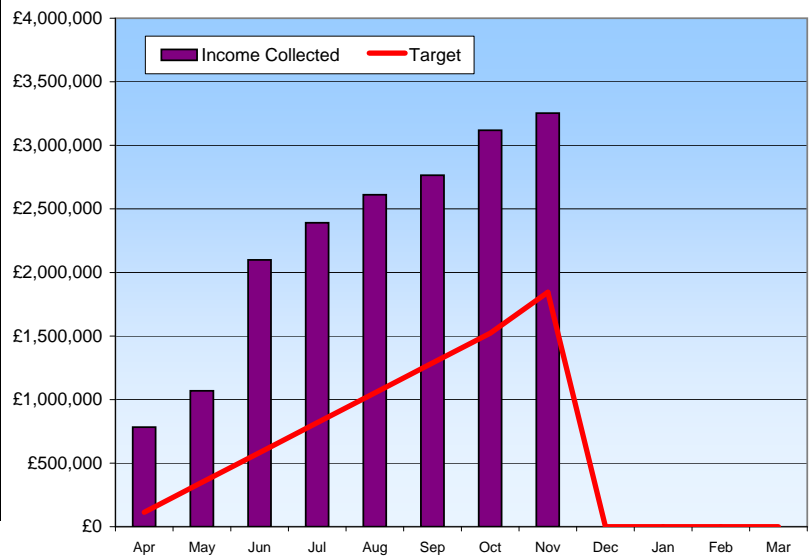
## Major Works Income



The amount of major works income collected from leaseholders this year

(High is good)

Nov 10 Performance	£3,252,871
Target	£1,844,802



## 4) Neighbourhood & Community

- neighbourhood management; local area cooperation; anti-social behaviour

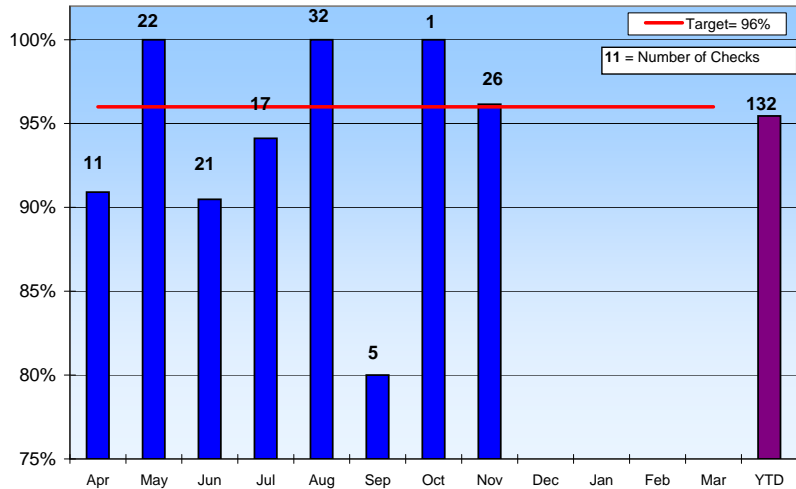
### Reality Checks - Non Regen



The percentage of reality checks achieving 2 star or above on all estates

End of Year Target (High is good)	96%
Nov 10 Performance	96%
Nov 09 Performance	100%
<b>YTD Performance</b>	<b>95%</b>

Number of checks in month	26
Number of checks YTD	132



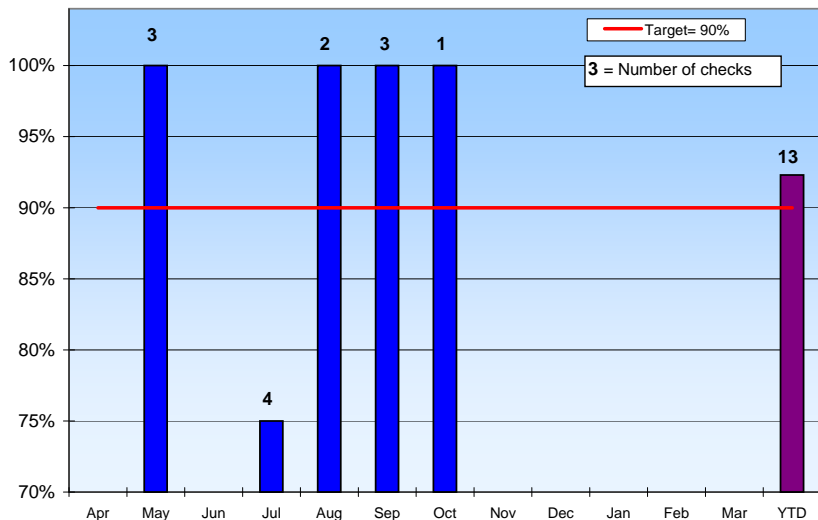
### Reality Checks - Regeneration



The percentage of reality checks achieving 2 star or above on regeneration estates only

End of Year Target (High is good)	90%
Nov 10 Performance	
Nov 09 Performance	
<b>YTD Performance</b>	<b>92%</b>

Number of checks in month	0
Number of checks YTD	13



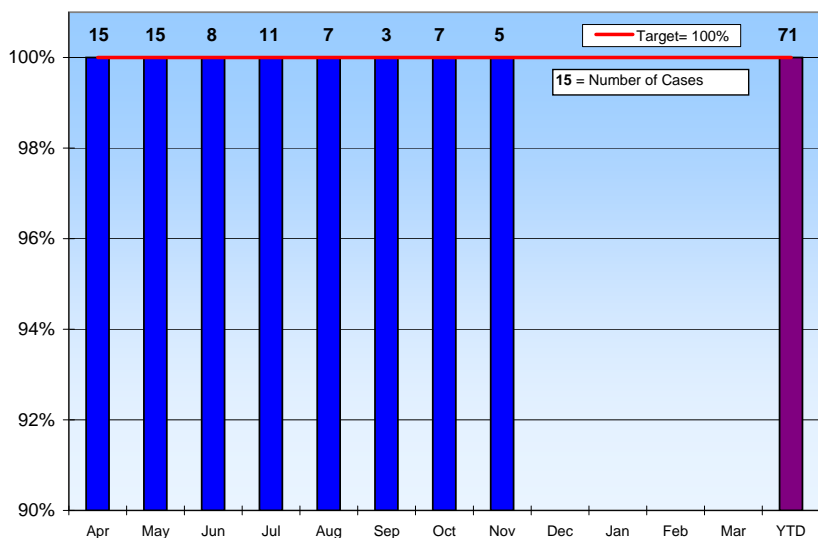
### ASB



The percentage of serious ASB cases responded to in 1 day.

End of Year Target (High is good)	100%
Nov 10 Performance	100%
Nov 09 Performance	100%
<b>YTD Performance</b>	<b>100%</b>

No. of cases reported in month	5
No. of cases reported YTD	71



## 5) Value for Money

### Sickness



The average number of days lost due to sickness per employee

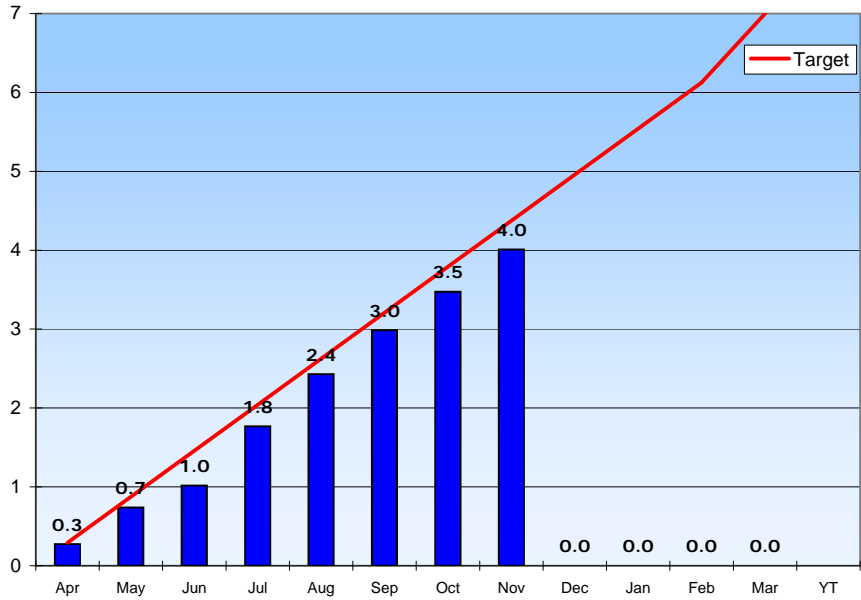
End of Year Target (Low is good) 7 days

Nov 10 Performance 0.5 days

Nov 09 Performance 0.5 days

YTD Performance 4.0 days

Note: End of year projection is 6.8 days



**Barnet Homes**

Board:	Board
Date:	24 January 2011
Title of Report:	Health and Safety (H&S) Update
Purpose of Report:	To update the Board on H&S issues.
Classification: General Release / Exempt (if exempt state relevant ground)	General Release

**Recommendations:**

1. That the report is noted.

Report Author:	Cora Vigar – Acting Director of Business Services	Date:	7 January 2011
Telephone:	020 8359 4120	Email:	<a href="mailto:Cora.vigar@barnethomes.org">Cora.vigar@barnethomes.org</a>

**1. Policy context/ Business Aim**

Reporting on Health, Safety and Welfare is a corporate governance requirement. All Board Members carry legal responsibility for health and safety, and it is therefore essential that they are fully briefed so that decisions properly protect residents, staff and the public from harm.

**2. Fire Risk Assessments (FRAs)**

2.1 The position on completing quality assurance checks on FRAs is that all high and medium risk blocks (664) have been completed. Sample checks on an additional 81 low risk blocks have also been completed after the checks on medium risk blocks revealed some issues. Based on the results from these, we propose to bring forward checks on a further 95 converted properties from the low risk batch and to complete these in this financial year.

2.2 All minor repair and housing management items identified in the high and medium risk blocks have been completed.

2.3 The Board has previously been advised that due to the volume and cost involved, all other work items identified, such as replacement of fire door sets, require formal consultation with leaseholders as part of formal tendering. The latest position on the procurement is as follows:

- Invited tenders – 30<sup>th</sup> November 2010
- Tenders returned – January 6<sup>th</sup> 2011

- Tenders evaluated – 12<sup>th</sup> January 2011
- 2<sup>nd</sup> Stage Leaseholder Consultation – Letters due out by 14<sup>th</sup> January 2011
- Contract commencement (preliminary surveys, programming and resident liaison) – March 2011
- Works to commence - April 2011

As reported to the last Standards & Asset Management Sub-group in October, this unfortunately represents a slippage from the originally estimated start date of November 2010. To ensure that the most urgent works are not delayed any further these have now been commissioned separately and will be completed in early 2011.

- 2.4 The proposed future programme of reassessment based on Cyntra's recommendations is as follows:
- 47 blocks need re-assessment every 12 months
  - 59 blocks need re-assessments every 24 months
  - 551 blocks need re-assessments every 36 months
  - 14 blocks need re-assessments every 60 months
  - 512 low risk blocks still need to be quality checked during 2011/12
- 2.5 The next phase will be to ensure that the high risk blocks (47) are re-assessed within their recommended timescales of 12 months which falls due in February 2011 along with the 95 converted properties referred to in 2.1 above.
- 2.6 During 2011/12 the remaining low risk blocks will be quality checked by Cyntra.
- 2.7 We continue to benchmark regularly with our colleagues in other ALMOs on their approach and we are still exploring the possibility of jointly commissioning a fire safety DVD for residents.
- 2.8 The Council has completed its internal audit of existing FRA arrangements and given this a "reasonable assurance" rating (the second highest rating). The recommended action points are already being addressed.
- 3. Action plan to address British Safety Council (BSC) Audit findings**
- 3.1 In March 2010 the Board approved a strategic action plan to address the priority recommendations identified in the BSC's audit carried out in October 2009. An update is shown at Appendix 1 and shows that good progress is being made. The revision of policies and procedures, and the provision of priority training have now been completed. A permanent Health and Safety Co-ordinator (Gerard Naughton) has also been recruited.

#### **4. Risk Register**

4.1 The updated H&S risk register is included at Appendix 2. Board members will note that this is a shorter, simplified format which mirrors a new risk reporting template recently adopted by the executive team. An assessment based on the previous rating system is also shown so that Board Members can see the direction of travel. This shows an overall reduction in the average risk rating from 5.6 to 5.4 (the highest risk rating being 16).

**5. Incidents**

5.1 There have been no reportable incidents (RIDDORs) since the last Board update.

**6. Tenant & leaseholder implications**

6.1 Housing Services continue to work closely with the central H&S team to ensure communal corridors are kept free from obstructions and this message is regularly reinforced with residents.

6.2 As previously advised, leaseholders will be required to contribute to the costs of any H&S work carried out within the terms of their lease, subject to consultation as appropriate.

**7. Financial & Risk Management Implications**

7.1 The financial and other risks associated with FRAs have been identified in previous reports to the Board.

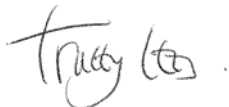
7.2 As reported above we have now recruited a permanent H&S Co-ordinator who is receiving mentoring and support from Homes for Islington's H&S Manager until fully established in the role. The Executive team continues to meet monthly to monitor health and safety progress.

**8. List of Appendices**

Appendix 1 – Updated H&S Action Plan




Appendix 2 – H&S Risk Schedule



**Approved by Chief Executive Officer:**



**Date: 10<sup>th</sup> January 2011**

## Appendix 1 –Action Plan to Address the British Safety Council’s (BSC) Findings

Objective Actions	Milestone	Outcome/Performance Measure	Comments/Progress – as at January 2011
1. Review management structure and resourcing of the H&S function	May 2010  June 2010	Proposal for new management structure identified Interim arrangements in place Recruitment completed	 Delay arose in recruiting a suitable interim. Permanent H&S co-ordinator has now been appointed.  Homes for Islington are providing high level mentoring and support as from Sept 2010.
2. Review of the policies and procedures and implementation of new policies where necessary	April 2010	All policies and procedures will be used by managers in their own risk assessment process. Check against the BSC’s action plan.	 Now completed.
3. Training for Managers and Employees: <ul style="list-style-type: none"> <li>• 1 day Institute of Occupational Safety and Health (IOSH) training for the Senior Management Team (SMT)</li> <li>• 3 day IOSH training and 1 day risk assessment training for all managers. Further Housing Health and Safety Rating System (HHSRS) training will also need to be given to specific managers</li> </ul>	March 2011	Managers will be able to undertake their own H&S risk assessments which is in line with the Management of Health and Safety at Work Regulations 1999. There will also be a wider understanding of H&S within the workplace. An ongoing audit will highlight any concerns surrounding the managers’ risk assessments.	 The priority H&S training has been completed.

Objective Actions	Milestone	Outcome/Performance Measure	Comments/Progress – as at January 2011
<ul style="list-style-type: none"> <li>1 day IOSH training for all other employees</li> </ul>			
4. Short training sessions to be given by the H&S team for managers to use the in-house systems and processes	April 2011	Managers will have the opportunity to raise any concerns/queries about the process and to adapt any procedures. The H&S team will audit the managers' assessments and make recommendations where necessary.	 <p>A programme of briefings is being developed for managers to attend during 2011.</p>
5. Auditing process to be established in order that the H&S team can undertake audits on the individual managers risk assessments throughout the organisation	April 2011	Key performance indicators (KPI's) will be produced for the auditing process with targets for managers undertaking reviews and targets for the H&S to undertake a certain amount of audits every month.	 <p>Auditing programme is being developed for April 2011.</p>
6. Review of the British Safety Council's Audit in relation to outstanding matters not addressed by the training and the risk assessment process review	June 2011	Further action plan to be devised at this point with new targets for outstanding matters from the BSC's audit.	Not yet started – subject to 3) above

## Health &amp; Safety Risk Register

Risk Rating	Risk and Consequences	Early warning /mechanisms	Traffic light indicator	Residual Risk (H,M,L)		Strategy (avoid, reduce, accept, transfer)	Further action proposed (including timetable and officers responsible)
				Likelihood	Impact		
6	Electrical installations in Estates Risks: <ul style="list-style-type: none"> <li>residents' health &amp; safety</li> <li>financial loss</li> <li>reputation</li> </ul>	Increase in electrical fires /Pilot completed at Arundel Court	Red	M	H	Reduce	Programme for upgrade to priority blocks to commence in 2011/2012 - Head of Property Services/Phil Buck
4	Compliance with Legionella requirements Risks: <ul style="list-style-type: none"> <li>residents' health and safety</li> <li>financial loss</li> <li>reputation</li> </ul>	Incidents reported/ Legionella Strategy in place	Amber	M	M	Reduce	Continuous monitoring and reviewing of tanks/systems in communal areas - Phil Buck/Gerard Naughton
4	Risk Assessment Risks: <ul style="list-style-type: none"> <li>health &amp; safety of residents, staff and contractors</li> <li>financial loss</li> <li>reputation</li> <li>breach of legal duty</li> </ul>	Reactive approach to incidents/ priority training now completed	Amber	M	M	Reduce	Programme for risk assessments and regular reviews in place by April 11 – Gerard Naughton
4	Working at Height Risks: <ul style="list-style-type: none"> <li>staff and contractors' health &amp; safety while on site</li> <li>financial loss</li> <li>reputation</li> </ul>	BSC audit findings /Policy now in place and training completed	Amber	M	M	Reduce	Risk assessments completed, controls implemented – Gerard Naughton/Mandy Dunstan

Risk Rating	Risk and Consequences	Early warning /mechanisms	Traffic light indicator	Residual Risk (H,M,L)		Strategy (avoid, reduce, accept, transfer)	Further action proposed (including timetable and officers responsible)
				Likelihood	Impact		
4	Fire Safety Risks: <ul style="list-style-type: none"> <li>residents' safety</li> <li>financial loss</li> <li>property damage</li> <li>reputation</li> <li>in breach of legal duty</li> </ul>	Increase in fires reported/ Initial FRAs completed, quality auditing in progress, regular housing management inspections carried out	Amber	M	M	Reduce	Major works from phase 1 due to start in April 2011), Programme for 2011/12 checks to be in place (Mar 2011) – Gerard Naughton/Property Services
4	Violence at Work Risks: <ul style="list-style-type: none"> <li>staff safety</li> <li>financial loss</li> <li>reputation</li> </ul>	Incidents reported/ Incidents reviewed at Staff H&S & Welfare Group and also by Executive Team	Amber	M	M	Reduce	Continuous training, monitoring and review – Gerard Naughton/ Neighbourhood Housing Team
4	Asbestos Management Plan Risks: <ul style="list-style-type: none"> <li>residents' health &amp; safety</li> <li>financial loss</li> <li>reputation</li> </ul>	Incidents occurring, Performance information	Amber	M	M	Reduce	Programme of planned works for garages to be drafted by Repairs – Elliot Sweetman Ongoing training and awareness – Gerard Naughton Implement online portal for Asbestos register – Phil Buck
1	Compliance with the Disability Discrimination Act at Community Centres Risks: <ul style="list-style-type: none"> <li>residents' and staff H &amp; S</li> <li>financial loss</li> <li>reputation</li> </ul>	Incidents occurring/ Performance information	Green	L	L	Accept	Continuous monitoring and review – Gerard Naughton/ CDM Co-ordinator
2	Gas Safety Risks: <ul style="list-style-type: none"> <li>residents' health &amp; safety</li> <li>financial loss</li> <li>breach of statutory duty</li> <li>reputation</li> </ul>	% of gas safety checks out of time/ Key Performance Indicator monitored closely at all levels including the Executive Team, Board and the Council,	Green	L	M	Accept	Continuous monitoring and review – Mandy Dunstan/Mamta Malhotra

Risk Rating	Risk and Consequences	Early warning /mechanisms	Traffic light indicator	Residual Risk (H,M,L)		Strategy (avoid, reduce, accept, transfer)	Further action proposed (including timetable and officers responsible)
				Likelihood	Impact		
1	Construction site safety Risks: <ul style="list-style-type: none"> <li>• staff and contractors safety</li> <li>• financial loss</li> <li>• reputation</li> </ul>	Non compliance with regulations/ Specialist consultant appointed to oversee this, regular performance information and auditing carried out	<b>Green</b>	L	L	<b>Accept</b>	Continuous monitoring and review – Gerard Naughton/ CDM Co-ordinator

### Old risk rating system

### New risk rating system

Previous overall average risk rating – N/A  
 Current average risk rating – 3.6

<b>Likelihood</b>	3 (H)			
	2 (M)			
	1 (L)			
		1 (H)	2 (M)	3 (L)
	<b>Impact</b>			

Previous overall average risk rating – 5.6  
 Current average risk rating – 5.4

<b>Likelihood</b>	4				
	3				
	2		<b>A</b>	<b>CP</b>	
	1				
		1	2	3	4
	<b>Impact</b>				

**Barnet Homes**

Board:	Board
Date:	24 <sup>th</sup> January 2010
Title of Report:	2010 Staff Engagement Survey Results
Purpose of Report:	Provide Board with summary of the 2010 Staff Survey Results
Classification: General Release / Exempt (if exempt state relevant ground)	General

<b>Recommendations:</b>
That the Board notes the outcome of the survey and the intended actions.

Report Author:	Gladys Mhone	Date:	10 <sup>th</sup> January 2011
Telephone:	020 8359 4994	Email:	Gladys.mhone@barnethomes.org

**1. Policy context/ Business Aim**

- 1.1 Barnet Homes aims to make effective use of resources by providing value for money services and developing new business. Staff engagement is critical to achieving this aim. A staff survey is one of the many ways that Barnet Homes seeks feedback from staff to ensure delivery of excellent services to all our customers.

**2. Outline of the issue**

- 2.1 Managing talent is a key business imperative in the delivery of excellent services. Effective staff engagement is now more critical than ever as we deliver services under budget constraints and require staff to do more for less. We recognise too the need to use various methods to seek feedback and engage staff, for example:
- a) *Meet the Chief Sessions* provide an opportunity for the Chief Executive to hear first hand from staff how well we are doing and what matters to them.
  - b) *Suggestion Scheme* provides the opportunity for staff to come up with suggestions for service improvement.
  - c) *Innovations Scheme* – staff come up with innovative ideas that can be funded.

- d) *One-to-one meetings, team meetings, annual performance reviews* - part of the management process engages staff with their line managers to share and learn.
- e) *Lunch and Learn Sessions* – provide the opportunity for staff to learn topics that are common to all that support personal effectiveness as well as build effective internal networks.
- f) *Corporate Events such as “Love where you live” and more socially, Quiz Nights, Rounders etc* – build internal networks and bring the fun element into the work place.
- g) *Leadership style* – open door policy for staff to interact with managers.
- h) *Staff Survey* – provides an opportunity for staff to feedback anonymously and also to benchmark with other housing organisations.

**2.2** The 2010 Staff Survey attracted a 66% response rate (compared with 63% in the last survey in 2007) and was undertaken by ORC International, who carry out similar surveys in the housing sector and therefore provides useful benchmarking information.

Below is a summary of the headline results:

**Highest overall Satisfaction score 2010**

<b>Question</b>	<b>Score</b>
I understand how my work contributes to the objectives of my team	91%
I understand how my work contributes to the success of the organisation	91%
I have experienced bullying/harassment in the workplace in the last 12 months	91% (positive)
In my opinion this organisation is committed to customer satisfaction	88%
I feel committed to the organisation's goals	85%
I am clear about what I am expected to achieve in my job	84%
My last performance review/appraisal accurately reflected my performance	84%

**Lowest overall Satisfaction scores 2010**

<b>Question</b>	<b>Score</b>
Communications between departments in the organisation work well	36%
How good do you think the following communication methods are at providing you with information about what is going on in the organisation? ..... Intranet	37%
I have the opportunity to contribute my views before changes are made which affect my job	41%
I am satisfied with the benefits on offer at Barnet Homes	45%
I am satisfied with the opportunities I have to get a better job in this organisation	46%
I think it is safe to speak up and challenge the way things are done within the organisation	46%
Change is managed effectively in this organisation	48%

## Key pointers – movement on positive scores

### *Largest rises in satisfaction 2007-2010*

Question	2007	2010	Rise
My manager ensured I was inducted into my current job	41%	65%	+24%
My induction gave me the knowledge and information I needed to do my job effectively	44%	63%	+19%
The reasons behind change are clearly communicated to staff	49%	59%	+10%
My work gives me a feeling of personal accomplishment	71%	75%	+6%
I am satisfied with the information I receive on what is going on in this organisation	66%	72%	+6%
I am treated with fairness and respect in this organisation	76%	81%	+5%

### *Largest drops in satisfaction 2007-2010*

Question	2007	2010	Drop
Methods of Communication – Team Meeting	83%	56%	-27%
I believe I have the opportunity for personal development and growth in this organisation	70%	55%	-15%
There are adequate opportunities for me to feed my views, concerns and ideas up the organisation	75%	62%	13%
I am satisfied with the opportunities I have to get a better job in this organisation	57%	46%	-11%
On the whole, this is a well managed organisation	72%	62%	-10%
My line manager recognises and acknowledges when I have done my job well	82%	73%	-9%
My manager uses Barnet Homes competencies as part of one-to-ones and appraisals	72%	64%	-8%
I have the opportunity to contribute my views before changes are made which affect my job	49%	41%	-8%
Health and safety is taken seriously in this organisation	79%	72%	-7%

## 2.3 Key Points

- Staff feel less valued in their opinions and opportunities.
- They feel Barnet Homes has a strong commitment to its goals but less so for the individuals in their role. There are some large key falls in satisfaction concerning the individual which now record some of the lowest overall scores of the whole survey.
- Age is a factor with 18-25 year olds showing lower engagement due to perceived lack of clear career progression and social events
- Location and work environment are factors as there is considerable variation in satisfaction between service areas e.g. Grahame Park and Barnet House.
- Highest satisfaction scores are based on understanding of organisation goals and the respondents' part in these. The highest mover (induction) has improved from a very low score in 2007.

- The greatest decline in satisfaction is around opportunities to feed back views and concerns to management.
- A large decline in the opportunities for personal development and for a better job in Barnet Homes (the managing change process is felt to play a part here).
- A smaller decline in satisfaction with overall management of Barnet Homes and the recognition staff feel they are given for doing their jobs by their managers.
- Communication between departments and the effective management of change also score low.

#### **2.4 Action so far**

The November issue of the Staff Newsletter communicated the highlights of the survey results and included thanks from the Chief Executive to all those who took the time to complete the questionnaire. The staff newsletter also outlined six key issues arising from survey with proposed actions over the next 12 months and beyond. A series of staff focus groups have been set up for January and February which aim to explore issues arising from the survey in greater depth.

#### **2.5 Proposed actions**

The six issues arising from the Staff Survey for targeted action over the next 12 months and beyond are set out below. The Senior Management Team will monitor these quarterly through their meetings.

1. ***Improve communication through team meetings*** – communication through team meetings is perceived to be poor although team meetings are well embedded throughout the organisation and take place at least once a month. It is proposed to involve staff through focus groups to explore how these can be improved to become not only an effective communication tool but also a learning and sharing experience, with members of staff from different teams also attending to improve cross-team working relationships.

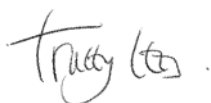
Managers will also be encouraged to experiment with new ways to facilitate team discussion and debate and will be given training in effective facilitation skills. The Chief Executive is also attending a cross section of team meetings to see how these operate first hand and to receive direct feedback. Her findings will be useful in the design of the training for managers.

2. **Improved cross-team communications** – despite work carried out during 2009/2010, such as “lunch and learn” sessions to communicate the “what and who” of the different teams, this is still an issue. However, the integration of teams resulting from the recent restructure will improve cross-team communication. Each Directorate has breakfast meetings which bring larger groups of staff together. The Director of Operations is currently also piloting a blog site on the intranet which updates staff on current news. Staff shadowing as part of the induction will continue and existing staff

will be encouraged to buddy with new staff to visit other teams. Social events will also continue to encourage cross team interaction and a new intranet site is planned in 2011/12.

3. **Personal development** – although learning and development is perceived as being good, staff do not feel that there are opportunities for career progression within Barnet Homes. We will work with staff and managers to understand the different needs of different groups and develop a clear talent and succession plan. We will also publicise regularly all promotions within Barnet Homes.
4. **The Senior Management Team** was rated poorly on the subject of change being well managed and on openness and honesty in their communication. Senior Managers attended an away day in October when they agreed a set of values which will be communicated to all staff through road shows. Given the economic climate, change will be a constant factor. All change programmes will provide as much support for staff to help with their emotional response to change.
5. **Staff involvement and engagement** – the survey question “I have the opportunity to contribute my views before changes are made which affect my job” scored poorly. Staff will be involved through a variety of ways e.g. “Dragon Den” type events, Chief Executive visits to teams, Breakfast Clubs for their ideas/suggestions
6. **Benefits on offer** – understanding the benefits of working for Barnet Homes, such as attractive pension scheme and flexible working policies outlined in a clear and simple reward statement. The creation of a new intranet site will also help in promoting these benefits.

**Approved by Chief Executive  
Officer:**



**Date: 12<sup>th</sup> January 2011**

**Barnet Homes**

Board / Sub Group:	Board
Date:	24 <sup>th</sup> January 2011
Title of Report:	Chief Executives Report to the Board
Purpose of Report:	To provide the Board with information on important external and internal issues which impact on the business of Barnet Homes.
Classification: General Release / Exempt (if exempt state relevant ground)	General Release

**Report Summary:**

This report aims to provide the Board with brief updates on both important external and internal matters that impact on Barnet Homes. This report provides updates on:

**External Matters**

- ALMO – Self Financing options
- Consultation “Local decisions: a fairer future for social housing”

**Internal Matters**

- Grahame Park District Heating breakdown
- HCA Decent Homes bid
- Proposed Housing Benefit Reform – Implications for Barnet Homes
- Sheltered Housing
- Furniture Reuse Scheme (to be named Barnet Re-Use Centre)
- Update on the major Procurement of Asset Management Services
- Review of Barnet’s Housing Allocations Scheme
- Shared services – working with other ALMO’s
- Housing Benefit system issues

**Recommendations:**

That this report is noted.

Report Author:	Tracey Lees Chief Executive	Date:	24 <sup>th</sup> January 2011
Telephone:	020 8359 4803	Email:	Tracey.Lees@barnethomes.org

## **1. Policy context/ Business Aim**

To provide the Board with information on important external and internal issues which impact on the business of Barnet Homes.

## **2. External Matters**

### **2.1 ALMO – Self Financing options**

2.1.1 The National Federation of ALMO's has commissioned a piece of work to look at self-financing options for ALMO's in the climate of reduced state funding.

2.1.2 A range of options and models are being explored which include ALMO's being able to enter into a longer term management agreement with its parent Local Authority and then using income generated by the management agreement fee to borrow in order to maintain, improve or develop more homes through to a community ownership option where the tenants would 'own' 51% of an ALMO and the parent Local Authority the remaining 49%.

2.1.3 This is very much work in progress with the NFA aiming to have established some positive structures that build on the accountability of ALMO's to residents while maintaining a strong link with a parent Local Authority. John Macfarlane and myself attended a seminar in the Autumn to hear about this work and contribute to the development of these ideas.

### **2.2 Consultation “Local decisions: a fairer future for social housing”**

2.2.1 The Department of Communities and Local Government issued the above consultation on 22 November with a response date of 17 January 2011. The document sets out the Government's plans for radical reform to the social housing system. The reforms seek to ensure that social landlords can make better use of social housing and target support where it is needed most.

2.2.2 Although aimed primarily at local authorities, Barnet Homes has worked with the Council in reviewing the document and preparing a response.

2.2.3 The key issues are summarised below and the proposed responses, where applicable, are shown in italics. Unfortunately owing to the very short timescale, which also coincided with the Christmas break, it has not been possible to canvass Board Members' views. I did however attend a briefing and discussion with the cabinet member for Housing.

2.2.4 A more detailed briefing is being prepared for Board Members on the implications and this will be circulated separately. In the meantime the

following hopefully will give a sense of the wide ranging nature of the reforms proposed:

- **increased freedoms to social landlords on the tenancies they can grant including a new minimum fixed term tenancy of 2 years for new tenants** (*This should ensure better use of the stock and increase turnover so that more people can receive help when they need it. The proposed minimum term is considered appropriate for a general needs tenancy. However, for older people, people with serious illness or disability who are unable to secure their own alternative housing a different view might be taken. Landlords should also have the freedom to decide whether new secure tenants continue to receive a lifetime tenancy when they move. The council does not have a formal position on the issue fixed term tenancies, but the idea that a social tenancy granted to meet an immediate housing crisis should not be for life is in line with policy discussions amongst officers and members*).
- **new duty on local authorities to publish a strategic policy on tenancies and the introduction of a revised tenancy standard.** (*The Council proposes to develop a local tenancies policy and tenant standard in partnership with residents and Barnet Homes. The new tenancy standard should cover issues of importance to residents e.g. repairs and ASB and be flexible enough to reflect local priorities and residents' views*)
- **investment to bring empty homes back into use and an incentive to local authorities to tackle empty homes as part of their strategy for meeting housing need** (*views were not specifically sought on this*)
- **new legislation to give local authorities the power to better manage their waiting lists** (*the proposals largely reflect the council's new allocations policy which will achieve quicker and fairer allocation by more effectively matching housing need with supply*)
- **make it easier for existing social tenants to move within the sector and introduce a nationwide social home swap programme** (*the proposal to take internal transfers not in housing need out of the allocation framework is not supported and the Council does not propose to use this flexibility*)
- **new legislation to enable local authorities to fully discharge their homelessness duty by arranging an offer of suitable accommodation in the private rented sector** (*this reflects the new allocations policy and is already used by the Council as a preventative option*)
- **reforms needed to enable local authorities to tackle overcrowding** (*the existing powers and standards date back to the 1930s and are in need of review. The Housing Health & Safety Rating System is considered to be the most appropriate tool as it is based on assessment of risk*)
- **refocus regulation on areas where it is really needed while giving tenants stronger tools to secure better services locally** (*views were not specifically sought on this*)
- **abolishing the Tenant Services Authority and transferring its remaining functions to an independent committee within the**

- Homes & Communities Agency** (*views were not specifically sought on this*)
- **replacement of the existing HRA with a new self funding regime that devolves power to councils and enables residents to hold their landlord to account for the cost and quality of housing** (*this has been the subject of previous consultation and further detail as to how this will work is still awaited*)

The full consultation can be viewed at:

<http://www.communities.gov.uk/publications/housing/socialhousingreform>

A copy of the full response can also be obtained from Cora Vigar ([cora.vigar@barnethomes.org](mailto:cora.vigar@barnethomes.org)).

### **3. Internal Matters**

#### **3.1 Grahame Park District Heating Breakdown**

- 3.1.1 On the Friday 3 December 2010 a significant breakdown occurred on the Grahame Park Heating system during the sub zero temperatures that month. The breakdown initially affected over 900 tenants and all of the non domestic users of the system, including Barnet College and St James School. Significant initial emergency response work was undertaken by Barnet Homes' staff, including over the weekend, visiting all affected residents to check for vulnerability and to deliver temporary heating.
- 3.1.2 By Tuesday morning the heating had been reinstated to the residents although there continued to be some further intermittent problems for some properties caused by air locks. The college and the school continued to lack heating which severely impacted on their ability to operate. We worked closely with them including exploring a variety of options around temporary heating sources. To trace and remedy the problem we excavated several underground valves to enable us to systematically isolate and test the pipe work of the system. By the Wednesday of the following week we were able to reinstate the school with the college following the day afterwards. The leak was ultimately identified in the furthest part of the system at Grahame Park Youth Centre and was fully repaired on the 17 December.
- 3.1.3 The financial impact of the district heating system break down is still to be fully identified and understood including the liability of the non domestic users of the system to meet a proportion of the costs. This work has now commenced within the finance team.
- 3.1.4 We have since had a team debrief of the response to the crisis which in the main was excellent and has been acknowledged as such by the Council. As always there are a number of lessons to be learnt from the

situation including a need to review the future maintenance support of the district heating system.

### **3.2 HCA Decent Homes bid**

3.2.1 In November 2010 the Homes and Communities Agency (HCA) published proposals for Decent Homes Backlog Funding for Council Landlords for the period of 2011/15. A total of £1.6b will be available over this period for Council landlords to apply for where they have more than 10% non decent stock. Consultation on the proposals completed on the 6<sup>th</sup> December 2010 with applications invited from the 13<sup>th</sup> December until the closing date of the 11<sup>th</sup> January 2011. Given the two week Christmas closure this represented a very challenging bid timetable which would include not only creating the case for the bid, but also ensuring appropriate sign off from the Council in whose name the bid was made.

3.2.2 A bid was submitted on time for a sum of £19.5m for regeneration properties with a life span of over 4 years. Stonegrove and Spur Road was excluded as the regeneration scheme is currently due to complete in 2017 and the Council are making a separate bid for funding to the HCA to support delivery of the scheme. Whitefields has been excluded as it will not become non decent until 2015.

3.2.3 As part of the bid we have needed to explain how we would go from zero non decency in March to 2011 to around 19% non decency from April. The basis for our case is that regeneration estates were excluded from our bid in 2003 as the expectation was that re provision would by now be well advanced. Unfortunately the economic down turn has meant significant delays with some of the stock now likely to be up for extended periods of time. We are bidding for the full non decency sum and not reducing by 10% on the basis that the restricted life of the properties will prevent the funding of the improvements from the rental stream under the self financing proposals. The bid rules permit such exceptional cases to be made.

3.2.4 The outcome of our bid is expected to be received in February.

### **3.3 Proposed Housing Benefit Reforms – Implications for Barnet Homes**

3.3.1 In his budget statement on 22 June 2010 the Chancellor announced a number of Housing Benefit changes aimed at reducing the cost of HB and increasing work incentives. We have now had the opportunity to review the potential impact on Barnet Homes' tenants of these changes.

#### **3.3.2 Increased Non Dependant deductions – Starts April 2011**

A non dependant is a person over the age of 18 who lives with the claimant. This reform does not affect those receiving pension credit or under 25 in receipt of Job Seekers Allowance/Income Support.

- 3.3.3 The number of Barnet Homes' tenants affected by non dependant deductions as at 27.10.10 was 707. There are currently six rates used in the assessment, all depending on the income received by the non dependant. The size of increase has been confirmed as at the 10/12/10 as being lower than first forecast. For those non dependents earning under £122 per week their charges will go up from £7.40 to £9.40. For the highest earners (over £387 per week) it will go up from £47.75 to £60.60.
- 3.3.4 We calculate the 707 non dependants will pay an additional £4. 24 per week. This equates to £203,500 more collectable rent a year for us from our tenants. As a result there may be a risk of increased rent arrears or evictions of Barnet Homes' tenants.
- 3.3.5 As a result of these changes there may be an increase in fraudulent HB claims, as tenants may not declare non dependants residing with them to avoid a reduction in benefit. However, this may result in applicants having a reduction in property size related benefit from 2013 (see 2.1.10 below).
- 3.3.6 **Reduction of Housing Benefit by 10% after one year on Job Seekers Allowance – Starts April 2013**  
Currently 568 Barnet Homes' tenants claim Job Seekers Allowance [JSA]. On an average rent of £90 per week Barnet Homes could have to collect up to a maximum of £245,300 extra to collect per annum (£9 x 568 x 48 weeks). This figure is likely to be overstated as not all tenants currently in receipt of JSA will have been on this benefit for over one year. However, the numbers of tenants on JSA is likely to increase due to the current economic climate.
- 3.3.7 Again as a result there may be a risk of increased rent arrears or evictions of Barnet Homes' tenants amongst those in greatest financial hardship. There will be an increased need for strong independent financial advice which may place a strain on both ourselves and the Citizens Advice Bureau.
- 3.3.8 A further risk relates to the Department of Works and Pensions [DWP] third party deductions. We currently collect £15k per month from this source. The DWP will only pay a percentage of the tenant's entitlement to rent to ensure that the tenant has enough to live on i.e. food. An increase in rent liability may cause refusal of third party deductions. DWP third party deductions are a strong tool that helps us to avoid evictions thus sustaining tenancies.
- 3.3.9 On Grahame Park the rent liability includes heating and hot water charges. A 10% reduction in benefit for some tenants may make

charges unaffordable. We are currently undertaking a review of the impact of heating charges on tenants on Grahame Park.

### **3.3.10 Property size related housing benefit in Social Housing for working age claimants (This reform does not affect pensioners) – Starts April 2013**

The outline proposal is to restrict housing benefit for working age tenants where the tenant is over accommodated. We are awaiting details of the legislation and guidance from the DWP as to how this would work.

3.3.11 Barnet Homes does not currently profile this information, we do not request information on the current household members therefore we are not aware of the numbers affected by under occupation other than by trade down requests. In future the Housing Benefit service will they need access to our property database as they currently do not automatically know the size of property.

3.3.12 An extreme scenario would be where a tenant can be hugely affected by these reforms is where the family is a 2 bedroom need in a three bedroom property and have a non dependant. The family will be affected by both non dependant deduction increase and size related benefit

### **3.3.13 Conclusion/What should we be considering?**

Residents affected by these proposals will have a greater rent liability and a stronger risk of financial hardship. We will have to collect more money from those who are already on a very tight budget and we will need to be better on money advice and financial assistance. We will also need to ensure that our residents are aware of these changes and how they could be affected, the first one coming into effect will be the increase in the non-dependant charge and we need to liaise with HB on publicising this.

## **3.4 Sheltered Housing**

3.4.1 Consultation commenced on the 6<sup>th</sup> January 2011 with our sheltered housing tenants on the Council's proposals to change the way the sheltered housing service will be provided in future. The proposals cover the following three areas:

- The development of three sheltered plus schemes with more intensive services
- The development of a menu of optional services that tenants can if they wish purchase on a "pay as you go" basis
- The development of enhanced on site housing management services paid for through a service charge
- In future there will not be a resident based sheltered housing service within these proposals.

- 3.4.2 Barnet Homes staff led on the consultation in our own schemes which concentrated on outlining in more detail what the proposals were, how Barnet Homes was responding to the proposals and encouraging the return of the Council's consultation forms. At the writing of this update three of the sessions had been undertaken and whilst they were challenging they generally had been more positive than the previous consultation sessions undertaken in February 2010.
- 3.4.3 As part of the consultation and decision making period Barnet Homes will be putting forward a number of schemes for consideration as sheltered plus where they meet the criteria. We are developing our menu of services based in the main on our Assist service and telecare options. Finally we are also developing proposals for intensive housing management based on premises control, basic housing management, maintenance and health and safety functions. These will be subject to a separate service charge and the requirements of the housing benefit regime.
- 3.4.4 The current round of consultation ends on the 27 January 2011 with the results being reported to Cabinet in March 2011.

### **3.5 Furniture Scheme (to be named Barnet Re-Use Centre)**

- 3.5.1 Since the last update the company has been formally incorporated and three initial trustees have been appointed: David Sidbury (a former vice-chair of the Board), Lynn Bishop (Assistant Director of Environment, The London Borough of Barnet) and Gary Pliskin. Three further appointments are in progress.
- 3.5.2 At the time of drafting we are still awaiting confirmation of funding from the London Community Reuse Network (LCRN). I have been in direct contact with the CEO of LCRN who has advised of a further delay in confirmation due to the need to get the funding ratified by their Investment Committee. LCRN have recently also requested further details regarding the proposed business model for the project.
- 3.5.3 We have been advised that confirmation of funding should be received by 14 January and subject to this, the trustees hope then to enter into the lease for the warehouse premises.
- 3.5.4 In the meantime the LCRN have continued to underwrite the rental costs for the warehouse. There is however an increasing risk that if the delays continue, the vendor may withdraw. We are also working at risk having recently seconded a temporary manager and will also need to review our position if funding is not confirmed by 14 January 2011.
- 3.5.5 In the meantime the trustees held their first board meeting on 22 December and spoke directly to the CEO of LCRN to convey their concerns.

- 3.5.6 A revised launch plan is being drafted and when funding is confirmed, an application will be made for charitable status. A further verbal update will be given at the meeting.

### **3.6 Update on the major Procurement of Asset Management Services**

- 3.6.1 At its meeting in September the Board approved the Procurement strategy for all Asset Management works and services plus some cleaning and grounds maintenance services. Implementation commenced immediately and good progress has been made. This is a brief update in order to keep Board members fully informed of the progress.

#### **3.6.2 Process/Timetable**

The OJEU advert was placed on 5<sup>th</sup> November 2010 with a closing date for a return of expressions in interest on 10/12/10. 100 Expressions of interest were returned. These include all of our current suppliers. 96 are being evaluated as the other 4 were late. The pre qualification questionnaires were evaluated over an intense 3 day period in mid December by a team of 30 Barnet Homes staff and residents. Board members will appreciate that given the wide and diverse range of services being procured from legionella testing, day to day maintenance, planned maintenance to cleaning services there was a need to engage a wide range of staff in the process. The staff and residents were trained on how to do this evaluation by Echelon our retained consultants. References are currently being taken up and a short list is currently being drawn up for presentation to the Project Core group consisting of myself, Cora Vigar, Derek Rust and Gary Pliskin.

- 3.6.3 Anthony Collins solicitors have been appointed to provide the legal services following a competitive tender.
- 3.6.4 A lot of work has gone into preparing scope of works specification documents for each of the works packages we will be inviting tenders on. This task is on target and will be completed in time for tenders being invited from the shortlisted suppliers during the last week of January.
- 3.6.5 **Risk Implications**  
The key risks have been identified and will be discussed by the Audit and Risk Committee at its first meeting on 18<sup>th</sup> January 2011.
- 3.6.6 In summary, this work is progressing well and the proposals for awarding contracts will come forward to the Board meeting of 1<sup>st</sup> June 2011.

#### **3.6.7 Leaseholder consultation**

This has commenced with a notice of intention served on leaseholders on 1<sup>st</sup> October 2010. 130 observations were received and no major

issues or unexpected issues were raised by leaseholders. An event has been arranged for 10<sup>th</sup> January 2011 for leaseholders to view specification/scope of work documentation and the pre-qualification questionnaires.

### **3.7 Review of Barnet's Housing Allocations Scheme**

3.7.1 As previously reported one of the outcomes of the Council's "lean systems" review of the Housing Needs function was the intention to redraft the Housing Allocations Scheme. This was in recognition of a number of problems with the current system of allocation using choice based lettings. The new draft scheme proposed:

- Closure of the open Housing Register to focus resources on those in real housing need
- Replacement of the existing points system with a simpler banding system, including recognition for community contributions by volunteering etc.
- Replacement of the bidding system with a system of assisted choice

3.7.2 Extensive consultation was undertaken on the draft Housing Allocations scheme over a period of 12 weeks finishing in mid October. Overall, there was broad support from respondents to the proposals although less so for closing the Housing Register. As a result of the consultation some amendments have been made to the scheme, including removal of band 4 which was seen as being too broad and would effectively become another waiting list.

3.7.3 Transitional arrangements from the current allocations system to the proposed new one have been developed. This will involve closing the existing Housing Register and inviting those applicants with high priority to reapply and be assessed against the new banding system. Over a period of time Council staff will work their way through the existing waiting list until those likely to be assessed against one of the new bandings have been so. Capacity of the service to deal with the backlog of existing cases will be expanded by redirecting staff whose duties under current arrangements that will no longer be necessary. A restructure of the Council's housing service is underway to achieve this.

3.7.4 Cabinet approved these proposals on the 10 January 2011 for implementation in April 2011. Barnet Homes is setting up a small team within the Council's current structures to review all existing transfer cases as these will also fall within the new allocations arrangements.

### **3.8 Shared Services – Working with other ALMOs**

3.8.1 The Chair of the Board and myself met with our counterparts at Enfield Homes and Haringey Homes shortly before Christmas to explore opportunities for working together, sharing services and joint

purchasing. There was a level of interest but also a recognition that this sounds or feels easier than in reality it is.

3.8.2 We agreed that we would meet again to discuss:

- Our back office costs with a view to identifying areas where a joint approach might lead to efficiencies
- Analyse where we have strong services we could sell to other ALMO's.

3.8.3 A follow up meeting has been arranged for February.

### **3.9 Housing Benefit System issues**

3.9.1 The Council's housing benefit computer system is being replaced between January 2011 and February 2011. This will affect all Council Tax, Business Rates and Housing Benefit assessments. The conversion process will take about a month and is expected to go live during week commencing 07 February 2011.

3.9.2 This means that from 04 January 2011 the Council will not be able to amend their records until the new system is live. During this period they plan to keep disruption to a minimum by:

- continuing to make benefit payments as normal for existing live claims to ensure full coverage of the transition period for both claimants and landlords
- continuing initial processing of benefit claims at Burnt Oak Library and other Benefit surgeries across the Borough
- continuing with the existing advice service, surgeries or telephone service

3.9.3 In practical terms this will mean that some tenants entitled to Housing Benefit will not be paid and others whose circumstances and entitlement has changed will continue to be paid. There is a risk that January and February rent arrears figures may be unreliable. We are keen to do all we can to protect our 2010/11 year end position.

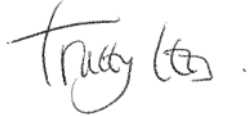
3.9.4 The Council may also provide an emergency payment on account in cases where hardship or insecurity of tenure has been demonstrated. It is possible that a number of claimants or landlords may be overpaid. The recovery of any overpayments of Benefit will be arranged through the new system once it is available.

3.9.5 The potential implications for Barnet Homes of these changes are significant given that around two thirds of our customers are in receipt of housing benefit and the new system needs to integrate with our own rents system.

3.9.6 We will continue to work closely with our Council colleagues in the benefit service to ensure that we are fully involved at an appropriate

level in the implementation of the new system and that our risks are anticipated and managed accordingly.

**Approved by Chief Executive Officer:**

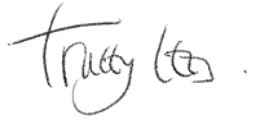
A handwritten signature in black ink, appearing to read "Tracy Lee". The signature is written in a cursive style with a large initial 'T' and a distinct 'L'.

**Date: 10<sup>th</sup> January 2011**

Issue	Jan 2011	Mar 2011	April 2011	June 2011	July 2011	Comments
<b>Standard Agenda Items</b>	<b>24th</b>	<b>7th</b>	<b>26th</b>	<b>1st</b>	<b>11th</b>	
Performance Monitoring	✓	✓	✓	✓	✓	
Forward Agenda Planning	✓	✓	✓	✓	✓	
CEO Updates	✓	✓	✓	✓	✓	
Budget Monitor	✓	✓	✓	✓	✓	
Meeting Debrief	✓	✓	✓	✓	✓	
<b>Other Agenda Items</b>						
Health & Safety	✓		✓		✓	
Contract Procedure Rules	✓					
Draft business Plan and budget for 11/12	✓					
Business Plan Priority Projects		✓		✓		
Procurement – appointment of a new contractor (s)				✓		
Annual Report and Financial Statements						
Actions from Board away day				✓		
Board self appraisal (TBC)				✓		
Equalities and Diversity Action Plan		✓				
Strategic Risk Registers						
Feedback from PAG/ HUB						
Annual report on work of the Audit & Risk Committee					✓	
Budget 2011/12		✓				
Internal Audit Annual Plan						
Draft management accounts – outturn 2010/11				✓		
Board recruitment					✓	
Budget & Business Plan project plan for 2012/17					✓	
Update on Lovells	✓					
Staff survey results	✓					

**Author:** Corinna Demetriou – PA to Tracey Lees, Chief Executive Officer

**Chief Executive Officer Approved:**

A handwritten signature in black ink, appearing to read "Tracy Lee". The signature is written in a cursive style with a large initial 'T' and a small 'L'.

**Date: 14<sup>th</sup> January 2011**