

Homes for Islington Board of Directors
Agenda 25 February 2008
**6.30 PM to 8.30 PM**

Boardroom

Highbury House, 5 Highbury Crescent, London N5 1RN

Item	Presenter	Subject	Status	Page number	Duration
1	A Borrie	Welcome/Apologies/Introductions	Information	Verbal	6.30 – 6.35
2	A Borrie	Declaration of interests	Information	Verbal	6.30 – 6.35
3	A Borrie	Questions received from the public and questions from the floor	Information	Verbal	6.35 – 6.55
4	A Borrie	Minutes of 17 <sup>th</sup> December 2007 and matters arising	Decision	1	6.55 – 7.05
5	A Borrie & E McGoldrick	Chair and Chief Executive Report	Information	Verbal	6.55 – 7.05
6	E McGoldrick	Business Plan 2008-13	Decision	7	7.05 – 7.50
7	E McGoldrick	HFI Business Plan Objectives 2007/08 (3 <sup>rd</sup> qtr) and December Performance Indicators	Monitoring	51	7.05 – 7.50
8	E McGoldrick	Risk Management	Monitoring	65	7.05 – 7.50
9	E McGoldrick	Efficiency Strategy Action Plan Update	Monitoring	79	7.05 – 7.50
10	E McGoldrick	Capital and Financial Performance Management	Monitoring	93	7.05 – 7.50
11	E McGoldrick	Neighbourhood Management	Monitoring	97	7.05 – 7.50
12	E McGoldrick	New Build	Information	101	7.05 – 7.50
13		Reports back from:	Information		7.05 – 7.50
	K Barns	a) Contracted Services Sub-Board 11 <sup>th</sup> December 2007		105	
	J White	b) Managed Property Sub-Board 12 <sup>th</sup> December 2007		106	
	T Coyle	c) Investment and Delivery Committee 19 <sup>th</sup> December 2007 and 28 <sup>th</sup> January 2008		107	
	A Borrie	d) Finance Committee 10 <sup>th</sup> January 2008		108	
	A Borrie	e) Chairs Agenda Planning Committee 28 <sup>th</sup> January 2008		109	
	E Niles	f) HR Committee 31 <sup>st</sup> January 2008		110	
14	A Borrie	Forward Plan	Decision	111	7.05 – 7.50
15	A Borrie	Any other business and date and time of next meeting - 6.30pm, Monday 21 <sup>st</sup> April 2008, Highbury House	Information	Verbal	7.05 – 7.50
		<b>Discussion Item</b>			
16	S Mclaughlin	LBI Housing Strategy	Information	113	7.50 – 8.30



**Homes for Islington  
Board of Directors Meeting  
Minutes of 17<sup>th</sup> December 2007  
Highbury House, 5 Highbury Crescent, London N5 1RN**

**Present:** Adam Borrie (Chair), Jessie White (Vice Chair), Kate Barns, Barbara Coventry, Theresa Coyle, John Gilbert, Caroline Jenkinson, Ann Lucas, Eddie Niles, Louise Round, Barbara Sidnell, Des Smith, Steve Town, Joe Trotter, Jyoti Vaja, Claudia Webbe (Directors)

**In attendance:** Eamon McGoldrick (Chief Executive),  
Mike Sims (Company Secretary),  
Mark Jenkins (Senior Governance Officer – Minutes)

**Apologies:** Richard Greening (Directors)

	ITEM	ACTION
1	<p><b>Welcome/Apologies/Introductions</b></p> <p>a) Ann Lucas opened the meeting at 6:35pm. b) Ann Lucas gave apologies for the above.</p>	
2	<p><b>Declarations of Interest</b></p> <p>a) There were no declarations of interest.</p>	
3	<p><b>Questions received from the public and questions from the floor</b></p> <p><b>The following questions were received from Cllr Gary Doolan</b></p> <p>1. "In relation to monies paid from the HRA to the building contractor Kier Islington for Housing repairs, or any other payments, and the fact that "any monies that are within the HRA is ringfenced for housing" in line with the local government finance act. Is it therefore correct that the amount of profit made by the contractor, and Islington during the year in relation to housing repairs, or other areas of funding by the HRA, should then go back to the HRA and not General fund?"</p> <p>I understand that this money is "ringfenced for housing" and should not be spent on anything else apart from housing, let alone filtered off to the general fund as profits which then may compromise the legislation.</p> <p>This money / profit that should be returned to the HRA, can then be spent on even more repairs.</p> <p>Answer:</p> <p><i>The Kier contract is a contract between Kier and LBI. HFI's role is to manage the contract on behalf of LBI. The decision on accounting on LBI's share of the profit is an LBI decision.</i></p>	

	<p>2. Why were two large euro bins, which were to serve a new residential &amp; community school development placed on estate land next to resident's houses on the Popham estate without the consultation of residents?</p> <p>Answer:</p> <p><i>Since the submission of this question on 1st November the Chief Executive held an on-site meeting with representatives from Street Management ICSL and Cllr Doolan. There is a further meeting now planned for 18/12/07 with the same parties together with representatives from Islington &amp; Shoreditch housing Association where it is hopes the issue of the location of these bins can be progressed.</i></p> <p>3. It was noted that staff were in the process of establishing the details of a third question from Cllr Doolan concerning the governance of TMOs and their finances. Once established a response will be forwarded to Cllr Doolan within 10 working days.</p>	Mike Sims
4	<p><b>Chair report and Chief Executive report</b></p> <p><b>a) Chair's report</b></p> <p>i) Ann Lucas thanked Board and staff for their recent efforts concerning the Audit Commission inspection. It was noted that the initial feedback had been positive and that the draft report was due in mid-January.</p> <p>ii) Ann Lucas and the Board, thanked William McGarvie for his years of service as a director of HFI.</p> <p><b>b) Chief Executive's report</b></p> <p>The Chief Executive informed the Board:</p> <p>i) That the planning applications for the three new build sites had been submitted on 5<sup>th</sup> December and that these would be considered by the Area Committees in January 2008. It was noted that the plans would be circulated at the IDC meeting on 19<sup>th</sup> December and that a copy would be sent to Kate Barns.</p> <p>ii) That the demolition of the old Boleyn Road Area Housing Office would commence in January 2008.</p> <p><b>The reports were noted.</b></p>	John Phillips
5	<p><b>Appointment of new Directors</b></p> <p>a) The Chief Executive introduced a report setting out proposals for the approval of Resident and Independent Board Directors following recent election and selection procedures.</p> <p><b>The report was noted</b></p>	
6	<p><b>Election of Chair and Vice-Chair</b></p>	

	<p>a) The Chief Executive took the chair for this item.</p> <p>b) Adam Borrie received 9 votes and Ann Lucas received 8 votes. Adam Borrie was elected as Chair.</p> <p>c) Jessie White was automatically elected as Vice-Chair as the only candidate for this position in accordance with the procedure agreed by Board on 31<sup>st</sup> July 2006.</p> <p>d) The Chief Executive asked the Board to note the appointment of Adam Borrie as Chair and Jessie White as Vice-Chair until the meeting following the next AGM in 2008.</p>	
7	<p><b>Appointment of Directors to Sub-Boards, Committees and Portfolios</b></p> <p>a) <b>The Board agreed to the membership of the Sub-Boards, Committees and Portfolios as follows:</b></p> <p><b>1) Managed Property Sub-Board –</b></p> <ul style="list-style-type: none"> <li>- Resident Directors are Barbara Coventry, Eddie Niles, Des Smith, and Jessie White (ex-officio);</li> <li>- Council Director is Jyoti Vaja;</li> <li>- Independent Directors are Ann Lucas and Steve Town.</li> </ul> <p><b>2) Contracted Services Sub-Board –</b></p> <ul style="list-style-type: none"> <li>- Resident Directors are Theresa Coyle, Caroline Jenkinson and Joe Trotter;</li> <li>- Council Director is Louise Round;</li> <li>- Independent Directors are Kate Barns, Adam Borrie (ex-officio), and Claudia Webbe.</li> </ul> <p><b>3) Audit Committee –</b></p> <ul style="list-style-type: none"> <li>- Resident Directors are Caroline Jenkinson, Des Smith and Joe Trotter;</li> <li>- Council Directors are John Gilbert and Jyoti Vaja;</li> <li>- Independent Directors are Ann Lucas and Steve Town.</li> </ul> <p><b>4) Ethics Committee –</b></p> <ul style="list-style-type: none"> <li>- Resident Director is Barbara Coventry;</li> <li>- Council Director is Louise Round;</li> <li>- Independent Director is Adam Borrie.</li> </ul> <p><b>5) HR Committee –</b></p> <ul style="list-style-type: none"> <li>- Resident Directors are Barbara Coventry, Eddie Niles and Des Smith;</li> <li>- Council Directors are John Gilbert and Louise Round;</li> <li>- Independent Directors are Adam Borrie and Ann Lucas.</li> </ul> <p><b>6) Investment and Delivery Committee –</b></p> <ul style="list-style-type: none"> <li>- Resident Directors are Barbara Coventry, Theresa Coyle, Eddie Niles and Jessie White;</li> <li>- Council Directors are Richard Greening and Barbara Sidnell;</li> <li>- Independent Directors are Kate Barns and Claudia Webbe.</li> </ul> <p><b>7) Finance Committee –</b></p> <ul style="list-style-type: none"> <li>- Resident Directors are Caroline Jenkinson, Eddie Niles and Des Smith;</li> <li>- Council Director are John Gilbert and Jyoti Vaja;</li> <li>- Independent Directors are Kate Barns and Adam Borrie.</li> </ul> <p><b>8) Portfolios</b></p> <ul style="list-style-type: none"> <li>- Equality/Diversity – Claudia Webbe</li> </ul>	

	<ul style="list-style-type: none"> <li>- Resident Involvement/Community Engagement – Eddie Niles</li> <li>- Communications – Jyoti Vaja</li> <li>- Procurement and Efficiency – Ann Lucas</li> <li>- Sustainability – John Gilbert</li> <li>- ICT Strategy – Adam Borrie</li> </ul>	
8	<p><b>Minutes of 15<sup>th</sup> October 2007 and matters arising</b></p> <p>a) Pg.8 item 14b), it was noted that HFI is using Circle Anglia as a mentor on a short-term arrangement.</p> <p><b>With this amendment the minutes were agreed as an accurate record</b></p>	
9	<p><b>Business Plan 2008-13 (first draft)</b></p> <p>a) The Chief Executive introduced the first draft of next year’s business plan for in principle agreement by Board.</p> <p>b) It was noted that the Business Plan would be updated in the New Year to reflect the outcomes of the Audit Commission inspection and the confirmation of the Management Fee and efficiency targets.</p> <p>c) It was agreed that the final outcome regarding the budget will be discussed at a Board / CE session in February.</p> <p><b>The Board:</b></p> <p><b>Gave in principle agreement to the content and format of the draft business plan.</b></p> <p><b>Agreed to receive a final draft at its meeting on 25th February 2008.</b></p>	Simon Kwong/ David Selo
10	<p><b>Customer Care Options</b></p> <p>a) The Chief Executive introduced a report updating the Board on the effectiveness of the two surgeries held at Mayville Estate and Durham Road.</p> <p>b) It was agreed that the Chair would meet with the Chair of Managed Property Sub-Board to determine the best method for monitoring the effectiveness of Home Visits. It was noted that the performance of mystery shopping and the use of community centres as a resource centre could be considered.</p> <p>c) It was noted that diversity mapping has reached 70% of residents in just over a year which is a good achievement. In some areas this nears 100%.</p> <p><b>The Board:</b></p> <p><b>Agreed to discontinue this service and noted the alternative proposals to provide services to these and other vulnerable customers.</b></p> <p><b>Agreed that HFI continues to actively increase publicity relating to the additional opening hours at Upper St Area Housing Office, increased</b></p>	Adam Borrie / Jessie White

	<p><b>home visits, availability of the Home Ownership Unit reception for dropping housing benefits forms and using free phones and to promote the services provided by HFI Direct.</b></p> <p><b>Noted the increased use of Home Visits in these two areas as an effective method of engagement with residents.</b></p> <p><b>Noted that officers will be contacting the vulnerable customers in the area, using information from diversity mapping, and offer them home visits.</b></p>	
11	<p><b>Health and Safety Policy</b></p> <p>a) The Chief Executive introduced a report seeking approval for the existing Homes for Islington Health and Safety Policy to remain unchanged and for Board to receive update reports biannually.</p> <p><b>The Board:</b></p> <p><b>Approved the existing Homes for Islington Health and Safety Policy 2006 to remain unchanged.</b></p> <p><b>Agreed to receive future update reports biannually unless significant changes dictate the policy be reviewed and updated sooner.</b></p> <p><b>Agreed that minor updates can be made to the policy provided the HFI safety committee approves them.</b></p> <p><b>Agreed that safety guidance cards supporting the policy on a range of specific safety topics continue to be developed/updated and agreed by the HFI safety committee.</b></p>	
12	<p><b>HFI Business Plan Objectives 2007/08 (qtr 2) and September Pls</b></p> <p>a) The Chief Executive introduced a report providing the Board with a strategic overview of performance management indicators, and progress on objectives in the Business Plan 2007-08.</p> <p>b) The Board noted the under performance for LKPI 5a (Percentage of complaints replied to within 10 working days). It was agreed that a monthly e-mail would be circulated to the Board to track this issue showing the trend over time and breakdown by division.</p> <p><b>The Board:</b></p> <p><b>Agreed to the Chief Executive monitoring proposals on customer service functions, collection of rent and arrears and gas servicing.</b></p>	Simon Kwong
13	<p><b>Community Engagement Action Plan Update</b></p> <p>a) The Chief Executive introduced a report updating the Board on progress against the Community Engagement Strategy and Action Plan.</p>	

	<p>b) Pg.42, it was noted that staff would confirm why the Groundwork application was delayed.</p> <p>c) Issues were raised concerning proposals for the future use of Community Centres and that it should be made clear how the actions correlate to the themes of the strategy. It was agreed that Eddie Niles would take these issues forward as the director with portfolio responsibility for Community Engagement.</p> <p>d) It was agreed that the issues concerning the allocation of the community fund by the sub-boards would be on the agenda for the Board / CE meeting on 4<sup>th</sup> February 2008.</p> <p>e) It was noted that a possible option could be to use Cripplegate in terms of expertise.</p> <p>f) It was noted that any further comments on the action plan should be passed to Eddie Niles.</p>	<p>Simon Kwong</p> <p>Eddie Niles</p> <p>Mike Sims</p>
<b>14</b>	<p><b>Capital and Financial Performance Management</b></p> <p>a) The Chief Executive introduced a report providing the Board with a strategic overview of company finance, capital programming for 2007/8 and progress on Decent Homes targets.</p> <p>b) It was noted that an Asset Management Strategy will be completed in 2008/09. An update report will go to Finance Committee in March 2008.</p>	
<b>15</b>	<p><b>Reports Back From Sub-Boards and Committees</b></p> <p>The reports were noted.</p>	
<b>16</b>	<p><b>Forward Plan</b></p> <p>The forward plan was agreed.</p>	
<b>17</b>	<p><b>Any other business and date and time of next meeting</b></p> <p>a) Next meeting at 6.30pm, Monday 25<sup>th</sup> February 2008, Highbury House.</p>	

There being no further business to conclude the Chair closed the meeting at 8:05 pm

-----  
**Chair: Adam Borrie**

-----  
**Date**

Report of	Team	Job Title
Simon Kwong	Chief Executive Directorate	Head of Performance & Service Development

Name of Meeting	Date of Meeting	Agenda item	Status
HFI Board	25 <sup>th</sup> February 2008	6	Decision

**Subject of Report:** Business Plan 2008/13

## 1. Synopsis

- 1.1 This report presents the final draft of next year's business plan for approval by Board.

## 2. Recommendations

That Board:

- 2.1 Gives agreement to the content and format of the draft business plan 2008/13 (Appendix A).
- 2.2 Agrees to delegate to HFI's Chief Executive the following amendments and additions that will be necessary after the date of this meeting:
- Outstanding performance indicator information
  - Commentary and additional objectives arising from the Audit Commission ALMO re-inspection of November 2007

## 3. Background

- 3.1 Senior Management Team (SMT) began the business planning process by reviewing the 2008/09 management fee budgetary resources in June 2007. Service Directors are working to ensure that budget savings previously agreed for 2007-08 are delivered to produce a balanced budget by March 2008.
- 3.2 SMT's initial improvement/efficiency proposals were produced in July 2007, informed by the Kwest tenants' survey and ongoing and completed service efficiency reviews being undertaken within HFI. This resulted in the draft Business Plan 2008-13, which included draft objective proposals with indicative growth costs and expected efficiency savings.
- 3.3 HFI's extended management team were consulted on options for 2008-09 on 25th July 2007. SMT has also sought to grade these objectives in priority order so that highest priority actions are agreed should funding not be available for all proposals.
- 3.4 HFI tenants and leaseholders were consulted on their priorities and expectations at the Residents' Conference in September. Residents were informed of tenants'

survey results and conference organisers worked with residents to agree the most effective and economic solutions to areas of dissatisfaction.

3.5 The results of the conference were provided to Board Directors at the Board away weekend in October 2007.

3.6 A draft of the HFI Business was received by Board at its meeting on the 17<sup>th</sup> December 2007.

3.7 There are some matters that it has not been possible to finalise in time for this meeting of the Board. This Board is therefore asked to delegate authority to the HFI Chief Executive to resolve these matters for their inclusion in the final draft of the Business Plan 2008/13 before it goes to print. These are:

- Performance targets, which will be considered by LBI when third quarter performance figures are available at the end of February 2008.
- End of year performance figures for 2007/08.
- Commentary and additional objectives arising from the Audit Commission ALMO re-inspection of November 2007

## **4. Financial implications**

### **4.1 Capital implications**

4.1.1. The Director of Resources reports that for business plan priorities that require capital investment, LBI has confirmed that it will consider spend to save bids from HFI. HFI will need to present a business case to LBI for upfront capital investment and arrangements to pay back the money in future financial years.

### **4.2 Revenue Implications**

4.2.1 A management fee for 2008/09 of £43.462 million has been agreed with LBI. The fee includes an inflation uplift of 2.434% and efficiency savings target of 3% (£1.335 m). The budgetary position reported to Board was that HFI will be carrying forward to 2008/09 a deficit in the budget of £546k. This relates to one off additional management fee received in 2007/08 only for the following items:

	£'000
2006/07 surplus carried forward to 2007/08	300
Termination of PF12 parachute payment	100
Final instalment of Packington Estate stock transfer	146

4.2.2 Board agreed that the organisation should be looking at savings up to 5% (£2.305m), to enable to bridge the above gap and for funds to be available to meet business plan priorities. A progress report on achieving the 5% savings target was reported to Finance Committee on 10<sup>th</sup> January 2008.

4.2.3 The 5% savings target has been identified as follows:

	£'000
Efficiencies	1,706
Carry forward surplus from 07/08 to 08/09	300
Review of 08/09 management fee settlement	301

**Total**

**2,307**

4.2.4 Details on the 2008/09 efficiencies are included in the annual efficiencies section of the business plan. A review of 2007/08 budgetary position has been carried out and there is scope to carry forward £300k surplus between financial years. This transfer will require LBI approval.

4.2.5 Should the Board approve in full the £2.307 m saving, this will make available funds for business plan growth priorities of up to £426k. If Board decide that there are items included with savings schedule that it wishes to exclude, this will reduce the funds available for business plan growth, by the monetary value of the saving item(s).

### **4.3 Efficiencies Implications**

4.3.1 Incorporated into revenue implications section.

### **4.4 Risks**

4.4.1 In setting the budget for the next financial year HFI need to carefully manage the risk of not setting a spending budget in excess of the management fee negotiated with LBI that leads to the organisation budgeting to make a trading loss.

## **5. Consultation Implications**

5.1 The views of Consultative Panels have been considered and acted on where appropriate in the latest draft of the Business Plan.

## **6. Legal Implications**

6.1 None specific to this report.

## **7. Equality implications**

7.1 Included within the Business Plan and will comply with HFI's Equality and Diversity Strategy.

## **8. Sustainability Implications**

8.1 Included within the Business Plan.

Report Author: Paul Davey, Strategy and Procurement Manager  
Telephone: 020 7527 4018  
Email address: paul.davey@homesforislington.org.uk



# Business Plan 2008-13



improving housing through partnership



## Contents

	Page
Introduction	3
Vision, mission and objectives	4
The council context	5
The national context	7
Business planning process	9
Decent homes delivery	12
Financial resources	14
Management structure	18
Performance 2007-08	21
Equalities and diversity	27
Resident involvement	28
Efficiency and value	29
HFI objectives 2008-09	30
Future Objectives 2008-13	34
Performance targets 2008-13	35

## Introduction

Homes for Islington (HFI) is now in its fifth year of operation having provided housing management services to the tenants and leaseholders of Islington since April 2004. HFI is an organisation that is committed to delivering excellent housing services, increasing resident involvement in the prioritising and shaping of their services and bringing the quality of residents' homes up to the decent homes standard by 2010.

Homes for Islington has brought about a real improvement in the landlord functions, such as collecting rent more efficiently, providing a better repairs service with our partner Kier Islington, dealing with antisocial behaviour and improving the appearance of our estates. This improvement can be seen in performance across a whole range of indicators. Not least among these is overall tenant satisfaction which was independently assessed by Kwest Research to be 68% in July 2007, which is a 16% increase in satisfaction among tenants since HFI commenced operations.

In November 2007 Homes for Islington was again subject to inspection by the Audit Commission. In this official ALMO Re-inspection the inspectors judged that Homes for Islington provides xxx services with xxx prospects for Improvement.

A central objective of Homes for Islington from the outset has been a decent home for all tenants and leaseholders by 2010. The major building and home improvement works being undertaken by HFI's framework constructors across Islington is transforming estates, homes and lives. Satisfaction with these works at over 90% has never been higher and once again the programme of works has come in within timescales and budgets.

2007/08 was once again a year of significant achievement in terms of improving services and shaping those services to meet the diverse needs that exist within the borough. There have also been great strides in involving a residents in service improvement and community engagement, primarily through the new Resident Involvement Register. It is hoped that the newly formed Islington Leaseholder Association will also have a big part to play in involving leaseholders in shaping services to their needs and priorities.

However this Business Plan is principally about looking forward. As well as reviewing our performance against the targets we set ourselves in 2007-08, the Business Plan sets out Homes for Islington's key objectives for 2008-09 as well as some longer-term goals and stretching targets towards 2013.

This plan was developed with input from our staff, the Homes for Islington Board of Directors, our partners and most importantly our tenants and leaseholders. We would once again like to take this opportunity to thank those residents that took the time to come and give us their views at the Residents' Conference on the Business Plan in September and to the 250 leaseholders who attended the Leaseholder Information Fair in October 2007 – Many thanks!

---

Eamon McGoldrick

---

Adam Borrie

## Our vision, mission and objectives

### Our vision

**“To deliver a customer driven services providing quality homes in clean and attractive communities”**

### Our mission

**“To continuously improve housing for local residents through sound investment, the effective management of resources driven by the involvement of residents and our partners”**

- Homes for Islington was set up to provide a first class service for Council tenants and leaseholders in Islington and to help create and maintain safe, sustainable and inclusive communities for residents
- In meeting this purpose we will consult residents and provide opportunities to involve them in making decisions which effect their home and locality.
- We will engage with and seek to influence Islington Council, government and other stakeholders. We will liaise with and co-ordinate the work of other organisations to ensure a complete and integrated service to residents.
- We will deliver the Decent Homes programme on time, achieving excellent customer satisfaction and best value for money
- We will be an organisation where people aspire to work

### Our objectives

Homes for Islington has adopted six strategic delivery objectives to ensure we continue to improve our services.

- To be an excellent service provider
- To improve homes
- To engage with the community
- To be a first class employer
- To embrace partnership
- To be an evolving organisation

### The Islington context

#### The Partnership

Islington Council continues to improve across all areas, and in February 2008 retained its three star rating from the Audit Commission. With a high proportion of the borough's population living in Council-owned homes, the delivery of excellent housing services is crucial to achieving sustainable communities and ensuring the Council's *One Islington* vision is realised.

The Council decided to create an arms length management organisation in November 2003, in order to attract the investment needed to achieve the Decent Homes Standard by 2010, improve services for residents and strengthen their involvement in shaping these services. Tenants and leaseholders were balloted on this issue, and a large majority agreed that this was the best option for Islington. Homes for Islington (HFI) took over the landlord function in April 2004, and together with Partners for Improvement in Islington, manages housing on behalf of the Council.

Since 2004 the partnership between the Council and HFI has developed and strengthened, and we continue to take a joined-up approach to housing-related challenges. The relationship is governed by a Management Agreement, and is supported by HFI's annual Business Plan, which is agreed in consultation with the Council.

#### The Council's vision

HFI's vision of social housing for Islington residents is set within the wider context of the Council's overall corporate vision and objectives, and HFI plays a key role in delivering the three key "One Islington" themes:

- Listening to Islington
- Stronger communities
- A safer, cleaner and greener borough

In addition to contributing to and complying with the various strategies and policies that underpin the Council's *One Islington* agenda, HFI's services will support the delivery of the Sustainable Communities Strategy.

#### Sustainable Communities

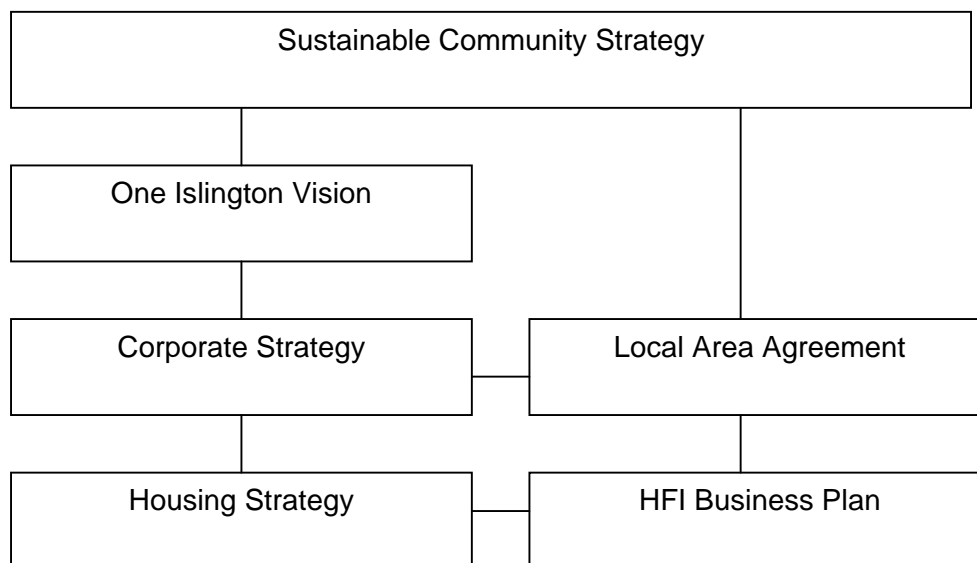
The Sustainable Communities Strategy was developed by the Islington Strategic Partnership in consultation with local organizations and residents, and its vision is to create a stronger, more sustainable community in which all have access to excellent services and can realise their potential. To achieve this vision for Islington, the latest strategy is closely focused on delivering three key objectives:

- Reducing poverty
- Improving access for all

- Realising everyone's potential.

In order to achieve these objectives, the following priorities have been identified:

- Improving people's employment prospects and the prosperity of the area
- Improving educational attainment and learning
- Tackling health inequalities and improving health
- Improving safety and people's feelings of safety
- Improving the quality of the environment
- Improving the quality of housing
- Building stronger, sustainable communities.



## Islington's people

Islington is one of the most vibrant and diverse boroughs in London. The population is one of the youngest in the country with 72% of the population under the age of 45, compared with 60% nationally. More than half of Islington households are single people, who move jobs and homes often. Our residents originate from many different countries and a quarter of Islington residents describe themselves as having a black and minority ethnic background, and between them, Islington's school children speak 115 languages. 1500 people in the borough receive home care and 16% declare themselves to be disabled.

## Deprivation

Wealth and deprivation sit side-by-side and 75% of the population live in areas identified as being among the most deprived in the country. Islington has the third highest concentration of deprivation out of 354 authorities, and is the fourth most deprived London borough and the sixth most deprived authority in England. Islington has comparatively high levels of social housing, unemployment and poor health as demonstrated by award of Neighbourhood Renewal Fund and the EC1 New Deal for Communities. The unemployment rate for Islington at 5.8% is the twelfth highest in the country. The long-term unemployed, those who had not worked since 1999 or earlier, make up 2% of the population of working age, which is double the national rate. The average gross annual earned income of an Islington owner-occupier is £49,254, compared to £6290 for a council tenant.

## The national context

HFI's business plan and strategies are also set within a national context that has been considerably reshaped in the last two years. The main drivers have been the following:

### **1. Every tenant matters (June 2007)**

The Cave Review of Social Housing was set up in December 2006 with the purpose of carrying out a fundamental review of social housing regulation for the first time in 40 years. The review concluded in June 2007 with Professor Cave's report 'Every tenant matters: A review of social housing regulation'.

Its main recommendations were:

- The establishment of an independent regulatory body across all of social housing.
- The regulatory body should be given a duty to promote ways in which tenants can be empowered and given more choice.
- The regulator to be given remedial and enforcement powers including; fines, appointment of additional Board members and the tendering of the housing management function.

### **2. The Hills Report (February 2007)**

In 2006, the Minister for Local Government Ruth Kelly asked Professor John Hills to prepare a report outlining the future strategies for social housing. The report was published in February 2007 and was intended to open up a debate about the way forward in the housing sector.

Its main findings were:

- It stressed that continued priority should be given to addressing poor housing management services.
- It highlighted the Government's agenda of creating mixed communities
- It pointed out the link between worklessness and those living in social housing stating that 70% of those living in social housing were in the poorest 40% of income groups.
- It advocated offering a range of choices to tenants in housing needs but did not recommend removing the Security of Tenure.
- It cited the lack of mobility in the social housing sector as a barrier to job mobility. For example, very few thousand mutual exchanges occur nationally compared with those who move in the private sector.

### **3. Housing Green Paper (July 2007)**

The key theme in the Green Paper is Government's intention to build 3 million new homes by 2020. Core to the Government's analysis is the need to substantially increase the supply of affordable housing as well as tackle some of the barriers that prevent home ownership.

Local Authorities are encouraged to play a greater role in facilitating the supply of affordable housing through enabling new affordable supply to be built, influencing the decisions that are made and having a direct role in providing new homes where value for money is proven.

It is proposed that Councils, via the creation of local housing companies or ALMO's, can apply for social housing grant through the Housing Corporation. The first ten bodies have been selected as eligible for bidding on the next round of grant allowing comparison with costs in the Housing Association sector. Further, in the next pre-qualification round for grant it is proposed to extend the criteria to include ALMO's with 2 stars.

#### **4. Housing and Regeneration Bill (November 2007)**

The Housing and Regeneration Bill incorporates provisions outlined in the Housing Green Paper plus other publications and consultations during 2007. The key provisions create:

- The Homes and Communities Agency (HCA)
- The Office for Tenants and Social Landlords (OFTENANT)

Also included:

- Provisions to enable local authorities that build new homes to be exempt from rent pooling.
- Provisions to enable local authorities and ALMOs to become self-financing and opt out of the HRA subsidy system.
- Implementation of a mandatory sustainability code for new build.
- Statutory ballots for local authority stock transfers
- Powers for local authority tenants to change their landlord
- Use of family intervention projects to address antisocial behaviour
- Minor amendments to the RTB scheme.

#### **5. London Mayor's Housing Strategy**

The Mayor's Housing Strategy for London was published in September 2007 and following a period of consultation is due to be adopted in November 2008.

The strategy has three key themes:

**Strong, diverse, long-term economic growth** – In housing this will focus on a growing demand for new homes, particularly affordable homes, to meet existing shortages and future demand.

**Fundamental improvements in the capital's environment and use of resources** – for housing this means improving design and reducing the carbon footprint of London's housing stock.

**Social inclusivity to give all Londoners the chance to share in the city's future success** – this means tackling the extreme need which already exists and improving choice and mobility. It also includes measures to tackle unemployment and to involve people in managing their homes and neighbourhoods.

## Homes for Islington's business planning process

Homes for Islington began its business plan 2008-13 process in June 2007. Service Directors' initial improvement and efficiency proposals, informed by the Kwest tenants satisfaction survey and completed service efficiency reviews, were consulted on with residents and discussed and amended by Board Directors at an away weekend in October 2007. The key inputs to the business planning process were:

- Board and Council strategic priorities
- Service Efficiency Reviews
- Residents Conference
- Tenants Satisfaction Survey
- ALMO Re-inspection report

### **Service Efficiency Reviews**

A source of input into the business planning process was our programme of service efficiency reviews (see page 29). The second year of this programme included completed reviews of income recovery, translation services, HR processes, and a joint review with the Council of management of the Housing Revenue Account. The recommendations that flowed from these reviews form part of HFI's Continuous Improvement Plan and will be monitored by Board and Managers through strategic performance monitoring arrangements.

### **Residents' Conference**

For the second year in a row the HFI Residents' Conference provided important participation in business planning. The Audit Commission described HFI's use of voting through real-time electronic voting pads as 'positive practice'. The same methodology was employed in September 2007. Again the conference proved to be very successful and provided more ideas, suggestions and resident priorities.

Key findings were residents' overwhelming priority of additional spend on antisocial behaviour measures and increased concierge and security funding. Other suggestions to emerge included:

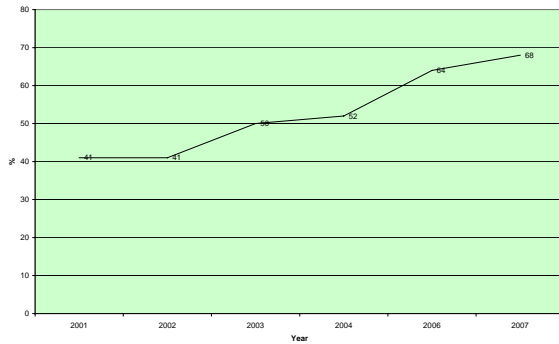
- Send specialised newsletters to different age groups
- Improve terracing and paving
- Create and enforce dog controls (supported with many comments from the floor)
- Promote our involvement register more to young people
- Provide intergenerational projects where different age groups get to know each other
- Provide additional services through HFI Direct (HFI's contact centre), especially major works information
- Extend the hours of the ASB out of hours team
- Text from Kier Islington before workers arrive
- Charge tenants for the cost of repair when it is their fault
- Provide 3 repair slots to avoid waiting in all day

## Tenant Satisfaction Survey 2007

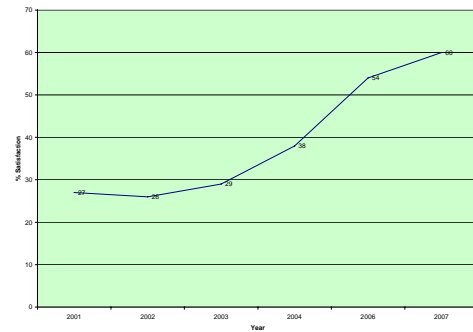
HFI has employed borough-wide surveys of tenant satisfaction in all but one year since 2001. The last such survey was conducted by MORI in August 2006. In June 2007 Kwest undertook a face to face survey to check that tenant satisfaction continues to increase year on year. This survey confirms the upward rise of satisfaction in all questions except satisfaction with repairs and maintenance which stayed level with last year at 65%. We will closely monitor our own repair satisfaction surveys throughout 2007-08 to identify whether this was an exception or a trend. Tenant surveys are a key tool in business planning and, like last year, were a key component in addressing resident priorities in the Residents' Conference.

Please see page 21 for detailed results

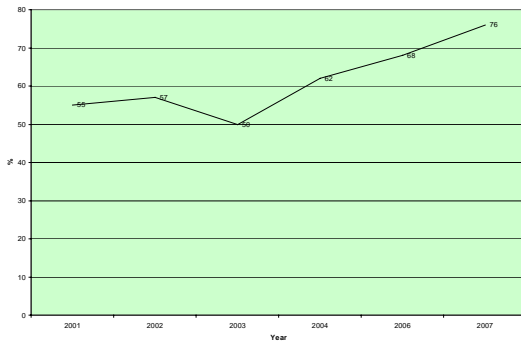
Satisfaction with overall landlord service 2001-07



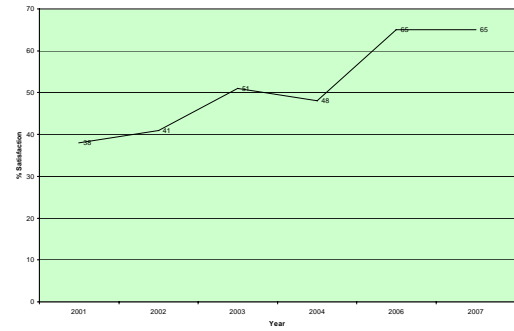
Satisfaction with opportunities to participate in decision making 2001-07



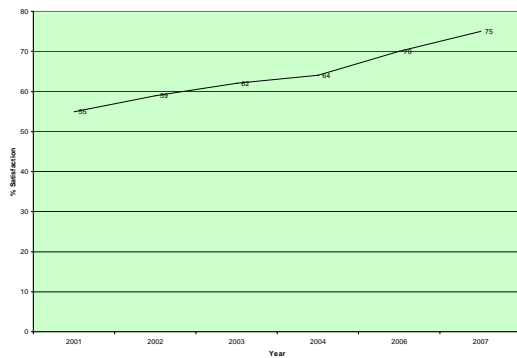
Overall satisfaction with caretaker service 2001-07



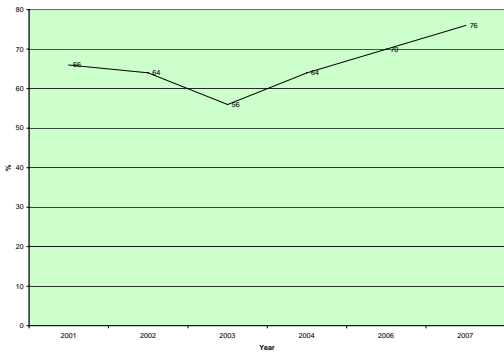
Satisfaction with repairs and maintenance 2001-07



Overall satisfaction with accommodation 2001-07



Helpfulness of staff 2001-07



## **ALMO Re-inspection**

Homes for Islington (HFI) has undergone inspection by the Housing Inspectorate arm of the Audit Commission in January 2004, (Indicative ALMO Inspection), December 2004 (ALMO Inspection) and December 2006 (Voluntary Improvement Work). The Audit Commission's function forms part of the Government's monitoring role of local government, ensuring that those ALMOs that have bid for additional funding to meet their decent homes responsibilities have the capacity to deliver services to a high standard. The Audit Commission however also has the role of driving improvement and spreading good practice across the sector.

In November 2007 the Audit Commission again inspected HFI's services in a formal ALMO Re-inspection. The result was that...

## Decent homes delivery

In April 2004 only 38% of housing managed by Homes for Islington met the Government's Decent Homes Standard.

### Decent homes on target

HFI has a programme in place to meet the decent homes standard (DHS) by December 2010 and the HFI standard by 2015. The HFI standard includes specific allocations for community safety and local resident priorities for each area to help bring about sustainable communities. In 2006/07 HFI achieved a spend of £102.1m compared to available resources of £101.897m (100.2% spend achieved). This builds on spend figures of £52.344m in 2004/05 and £75.147m in 2005/06. Since the establishment of HFI in 2004, HFI has achieved a total spend of £229.6m over the first 3 years, from a total budget of £574m from 2004/05 to 2010/11.

A partnering arrangement with 17 framework contractors and 6 mechanical and electrical contractors, based on Egan principles, is in place.

Decent homes targets for numbers of properties made decent were exceeded in 2006/07.

Percentage of homes meeting Decent Homes Standard			
	2004/05	2005/06	2006/07
Original s.27 projection		42%	50%
Actual outturn	45%	51%	55%

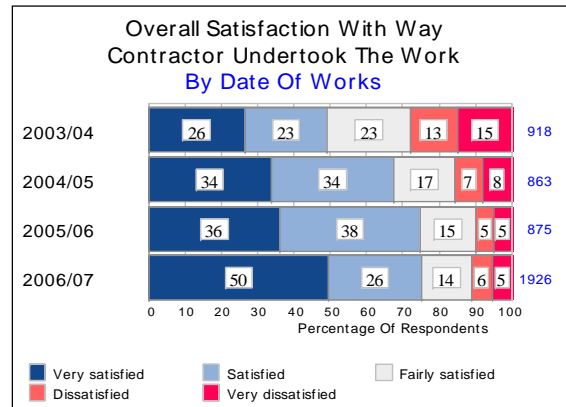
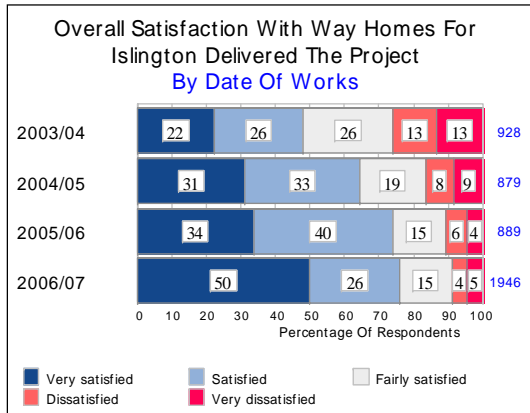
HFI now has in place a block by block programme for 2007/08 to 2010/11. The programme has been developed through consultation with consultative panels and HFI sub-Boards, which are composed of elected resident representatives.

Year on year efficiency savings have been realised on management costs, with a pre-ALMO fee charge of 14.5% reduced to 11% on resources managed in 2005/06, resulting in an efficiency gain of £1.080m in 2006/07.

Resident involvement in the capital programme is via Area Consultative Panels. Each main scheme has a Steering Group of residents to guide the design and implementation process.

Resident satisfaction is measured through independent surveys on capital projects, to determine the success of HFI's Decent Homes programme. Around nine in ten residents are very satisfied, satisfied or fairly satisfied with the improvement works and similar levels of satisfaction are returned for the way HFI delivered the project and the way the contractors undertook the work.

The results also show a marked increase in those residents who are 'very satisfied' with the way HFI delivered the project. In 2003/04 22% were 'very satisfied', in 2005/06 this was 34% and in 2006/07 this had increased to 50%. A more detailed survey is being undertaken to evaluate why residents were 'fairly satisfied' rather than 'satisfied' or 'very satisfied'. Appropriate action will then be taken to further improve the higher levels of ratings.



A local labour and training programme, called Work4Islington, has been established with the main framework contractors, with agreed targets according to workload. In 2006-07, the framework partnering contractors have employed 69 people, 70 have gained qualifications and 35 have become apprentices.

Islington Business Enterprise Team are working with HFI to increase use of local suppliers and contractors. In 2006/07 £4.1m of work had been placed with them. In addition, HFI is encouraging the use of BME businesses both locally and across London.

## Homes for Islington financial resources

Islington Council pays HFI a management fee to undertake its landlord functions that is funded from the Council's Housing Revenue Account and Housing Capital Programme.

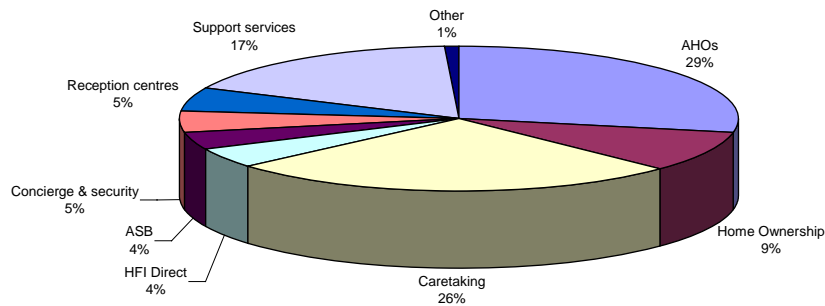
Managing Agent Account	2006/07	2007/08	2008/09
	Outturn £'m	Current Budget £'m	Draft Budget £'m
<b>LBI revenue funded</b>	42.76	41.06	43.46
<b>LBI capital funded</b>	9.26	9.34	8.64
<b>Total</b>	<b>52.02</b>	<b>50.40</b>	<b>52.1</b>
<b>Divisional Analysis</b>			
<b>Chief Executive &amp; Central Admin</b>	<b>0.71</b>	<b>1.15</b>	<b>.58</b>
<b>Operations</b>	<b>26.44</b>	<b>25.36</b>	<b>23.93</b>
Area Housing Offices	8.57	7.90	6.74
Home Ownership	1.97	2.10	2.17
Caretaking Services	6.47	6.46	6.28
HFI Direct	1.10	1.09	1.07
ASB Projects	0.53	0.36	.43
ASB Mobile Team	0.42	0.42	.5
Concierge & Estate Security	0.95	0.96	1.17
Reception Centres	1.65	1.54	1.22
Support Service Contracts	2.68	2.56	2.05
Other Support Services	2.10	1.68	2.08
Other	0.00	0.29	.22
Sub-total	<b>26.44</b>	<b>25.36</b>	<b>23.93</b>
<b>Performance &amp; Service Delivery</b>	<b>1.65</b>	<b>1.68</b>	<b>1.76</b>
<b>Property Services</b>	13.63	13.53	15.61
Legal Repairs	1.27	1.34	1.54
Capital Programme Management	8.00	7.94	8.64
Repairs Administration	4.36	4.25	5.43
Sub-total	<b>13.63</b>	<b>13.53</b>	<b>15.61</b>
<b>Resources</b>	9.29	8.68	10.22
Finance	5.50	5.34	6.98
HR & Training	1.19	1.04	1.01
IT	1.32	1.12	1.08
Support Services	1.28	1.18	1.15
Sub-total	<b>9.29</b>	<b>8.68</b>	<b>10.22</b>
<b>Total</b>	<b>51.72</b>	<b>50.40</b>	<b>52.10</b>
	NB £300k surplus		

## Spend analysis

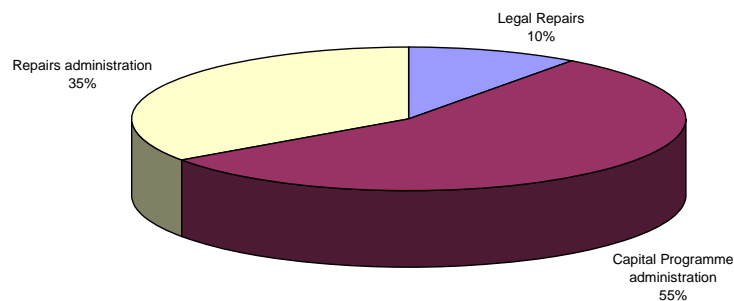
	2006/07 Outturn £'m	2008/09 Draft Budget £'m
Employees	35.48	35.03
Running costs	12.17	12.43
LBI support services	4.07	4.64
<b>Total</b>	<b>51.72</b>	<b>52.10</b>

The following charts illustrate the 2008/09 budgets of the Operations and Property Services functions.

### Operations Division



### Property Services



## Five year forecasts to 2012/13

It is projected that over the next five years the annual management fee will be in the region of £50 million.

## 2. Islington Council's budgets

There are a number of budgets where contracts remain in the name of Islington Council and HFI manage the expenditure on behalf of the Council. The spending is accounted for within Islington Council's accounts. HFI has named this account the Client Services Account.

Client Services Account	Outturn 2006/07	Budget 2007/08	Draft Budget 2008/09
	£'m	£'m	£'m
Repair & maintenance	27.16	26.15	23.58
PFI payments	17.74	21.37	28.39
TMO allowances	0.97	0.97	.99
Private sector leases	1.74	1.84	1.25
Central heating & hot water	1.91	2.08	1.78
Communal lighting	1.64	1.50	1.66
Tenant participation and community centres	0.28	0.47	.26
TV aerial maintenance	0.14	0.15	.15
<b>TOTAL</b>	<b>51.58</b>	<b>54.53</b>	<b>58.06</b>

## 3. Housing Capital Programme

Islington Council has given responsibility to HFI to manage the council's housing capital programme. The capital programme funds the cost of the works and associated fees.

HFI Managed Capital Programme (HRA)							
	2004/05	2005/06	2006/07	2007/08	2007/08	2008/09	
	Actual	Actual	Actual	Original	Current	Draft	
	Outturn	Outturn	Outturn	Budget	Budget	Budget	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Crep & Rolecs	22,463	11,125	493	200	200	0	
Kitchens & Bathrooms	1,545	1,437	-	-			
Component Renewal		23,750	68,145	68,634	66,164	62,928	
Street Properties	-	-	201	3,717	3,717	4,076	
Tollington	3,278	11,485	17,470	12,650	4,650	7,426	
King Square	1,716	7,137	3,016	1,743	967		
Bemerton	5,469	2,155	112	-			
Structures			1,003	1,500	1,500	82	
Heating & Water	2,313	2,275	647	2,082	2,082	1,808	
Lifts	1,303	1,839	1,084	1,500	1,500	1,500	
Electrical	680	481	227	850	850	193	
Security	500	1,983	68	700	700		
Packington	1,603	849	648	-			
Tall Blocks	3,256	262	-	-			
Marquess	2,937	1,163	49	48	48		
Energy	79	96	94	100	100	100	
Community Safety	27	685	1,109	1,500	1,500	1,500	

Tenant Compact		1,248	1,431	1,352	1,500	1,500	1,500
Major Repairs-Capitalised		2,508	2,486	2,653	1,500	1,500	1,500
Other (New)		844	3,491	1,712	200	357	772
NDC EC1		134	194	757		30	1,327
Reception Centres			652	537	2,000	2,000	
Smoke Alarms		73	83	9	-		
S106		62	13	8	-	2	
Environmental Works		-	-	419		243	
New Build						350	2,350
Main (Old)		306	76	307	70	70	87
		52,344	75,148	102,120	100,494	90,030	87,149
<b>LBI Financed by:</b>							
Borrowing - ALMO		2,870	22,030	25,862	33,761	33,761	36,300
- Other		11,802	12,049	9,159	9,838	8,595	9,112
Total Borrowing		14,672	34,079	35,021	43,599	42,356	45,412
Grants - MRA		23,966	13,582	28,764	19,830	16,106	4,569
- Govt		4,477	1,844	2,193	7,068	2,322	5,527
- Other		292	180	598	1,500	1,855	0
Total Grants		28,735	15,606	31,555	28,398	20,283	10,096
Receipts		265	7,741	21,106	10,390	10,897	16,605
HRA Contribution - RCCO		5,672	12,222	7,939	10,107	10,494	8,036
Leaseholders Contributions		3,000	5,500	6,500	8,000	6,000	7,000
		52,344	75,148	102,121	100,494	90,030	87,149
Original Budget		43,416	88,476	84,568			
Current Budget		54,964	88,964	103,831			
Forecast		52,344	75,148	102,121			

## Homes for Islington management structure

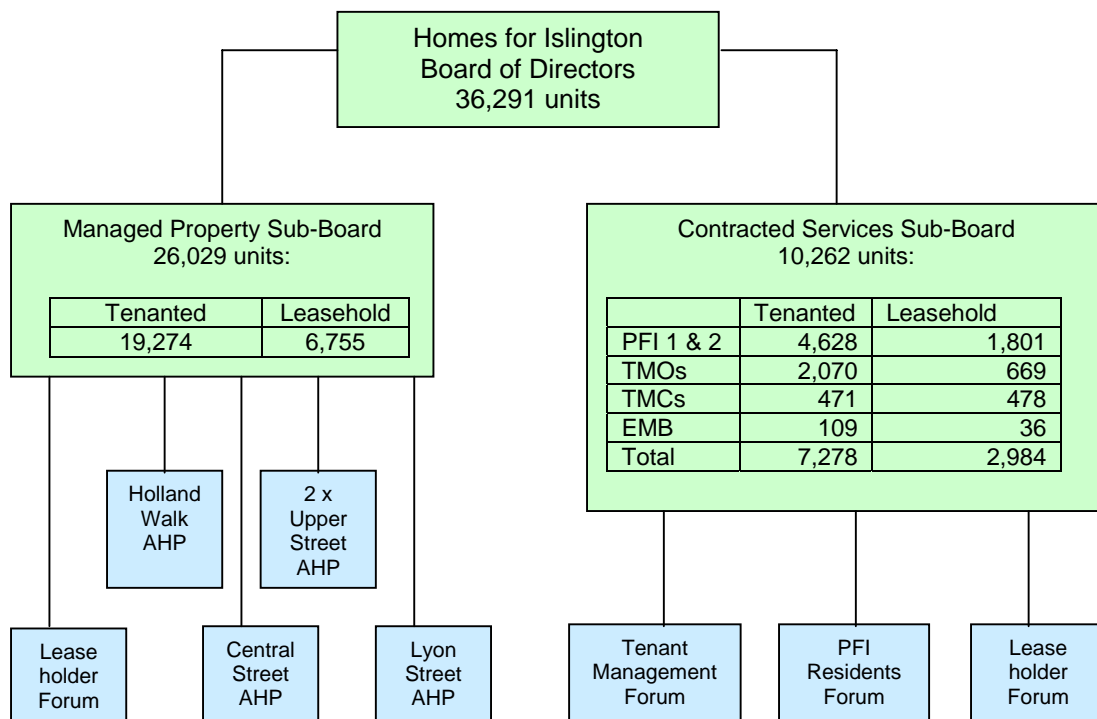
Homes for Islington is led by a board of directors. The Board consists of seven tenant and leaseholder representatives, five council representatives and five independent members. The five council directors consist of four councillors two from the Liberal democrats and two Labour. There is also a full-time council official, all are appointed by Islington Council. The seven resident representatives are elected by local residents for a four year term in elections held every two years. The positions for the independent directors were advertised and the candidates were selected through an interview process.

As well as a main board of directors, Homes for Islington has two sub-boards: the Managed Property Sub-Board and the Contracted Services Sub-Board. Membership on sub-boards is made up of directors from the main board and nominees from your local consultative panels.

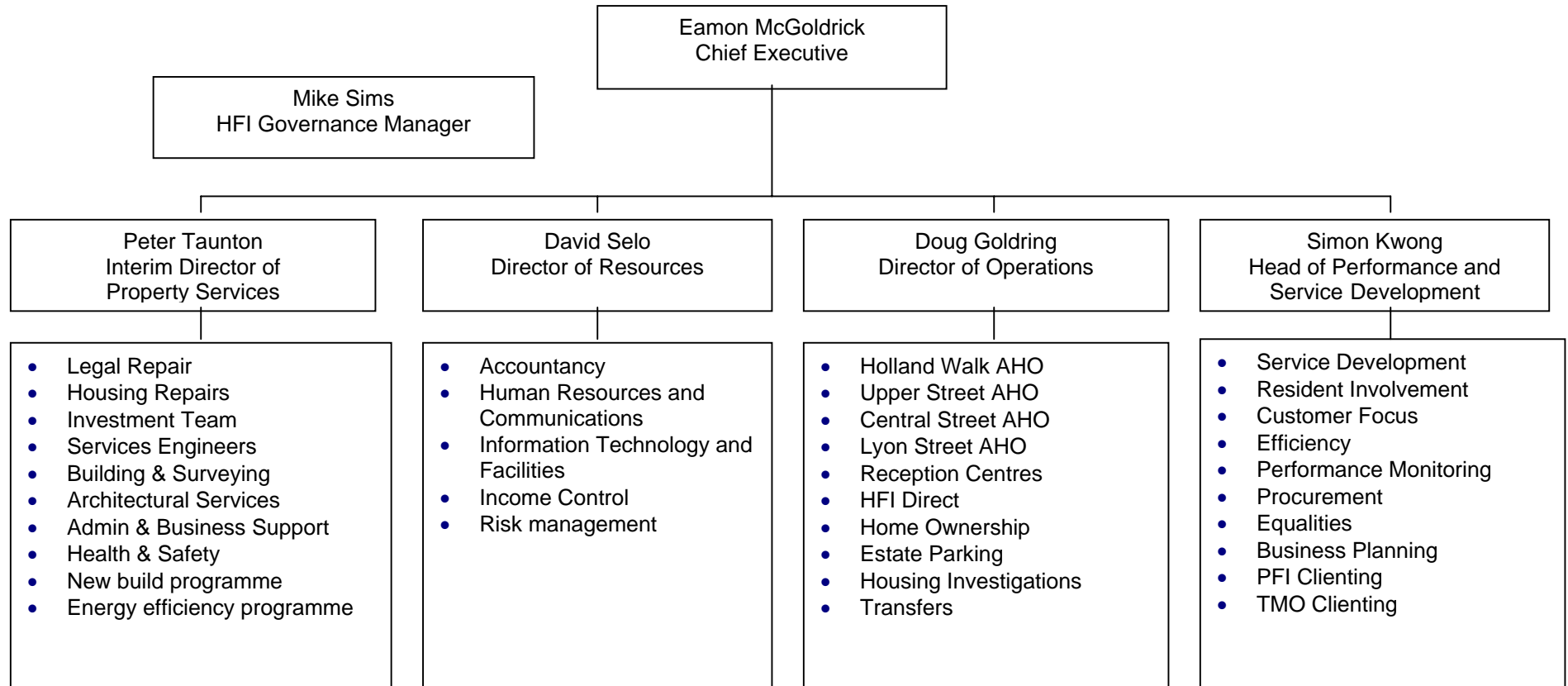
The Managed Property Sub-Board manages the performance of the area housing offices whilst the Contracted Services Sub-Board manages the performance of Partners for Improvement in Islington and the Tenant Management Organisations and Tenant Management Co-operatives.

The Council's consultative Panels - the four area housing panels, the Islington Leaseholder Forum, the TMO/TMC Review Group and the Partners for Improvement in Islington PFI forum, feed their views to the Board through the two sub-Boards.

### HFI management arrangements



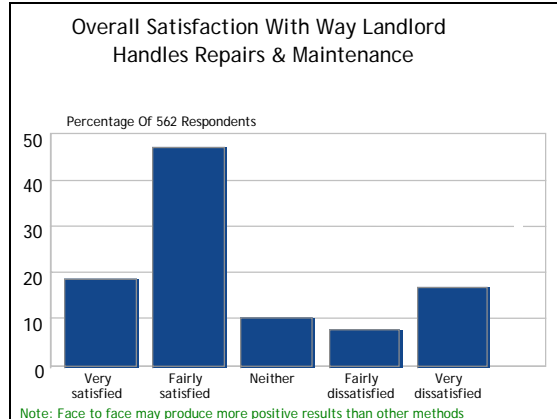
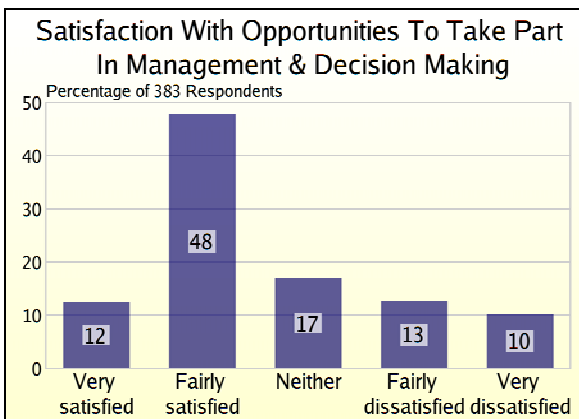
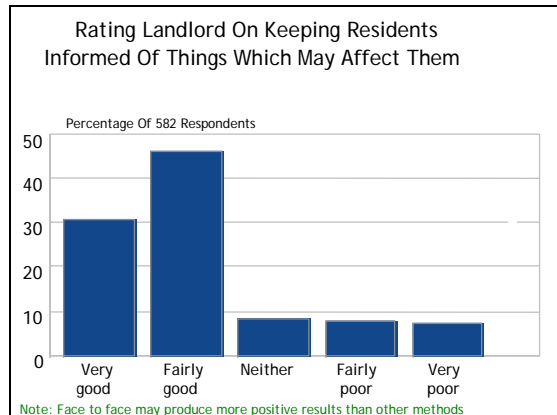
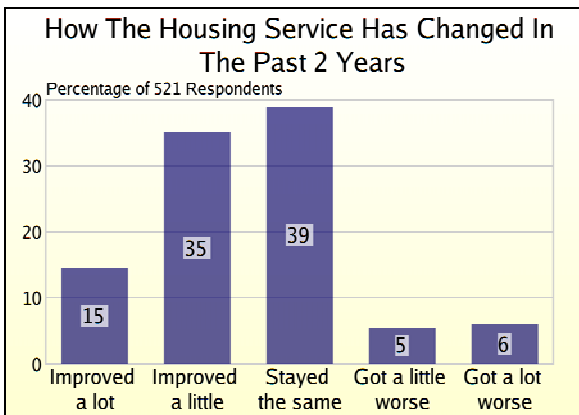
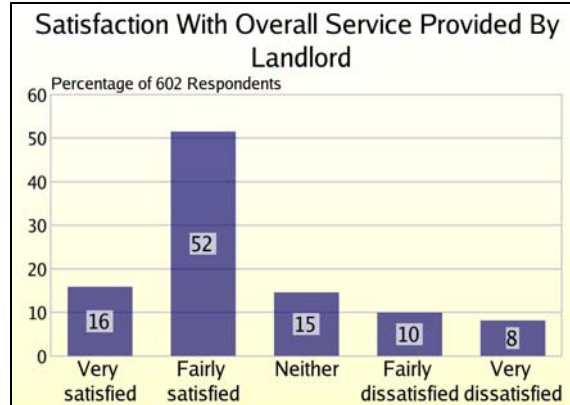
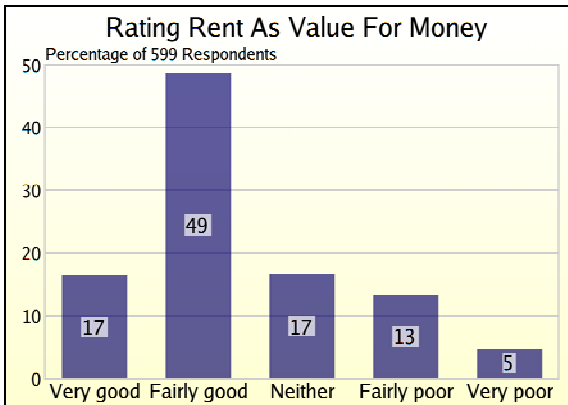
## Directorate & Senior Management Structures



# Homes for Islington Performance in 2007-08

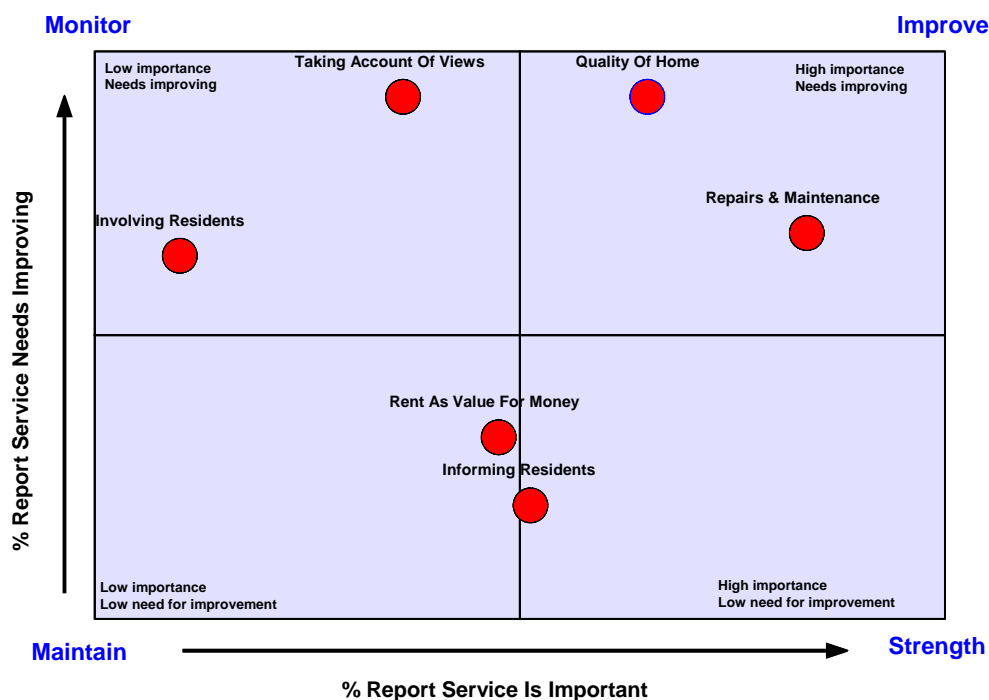
## Tenant Satisfaction

In April 2007, Homes For Islington commissioned Kwest Research to conduct an independent and confidential survey of tenants. This survey follows on from previous tenant satisfaction surveys conducted in 2001, 2002, 2004 and 2006. Kwest interviewed face to face 600 tenants who were representative of the tenant population. Some key findings were as follows:



## Improving tenant satisfaction

When looking at tenants' opinions about which services are the most important and which areas need the most improvement, the findings can help identify aspects of service that are strong and conversely, areas where HFI's improvement efforts should be focused. The following chart shows how these stand *relative to each other*.



The chart indicates that the items in the top right quadrant (*quality of home* and *repairs and maintenance*) are the areas that HFI should focus on, as this will have the greatest impact upon tenants' overall satisfaction.

### Tenant satisfaction summary

The majority of tenants are positive about the overall service they receive and their rent as value for money. However, a substantial proportion of tenants would like to see some key services improve – in particular the overall quality of homes and the repairs and maintenance service.

When prioritising services for improvement in the future HFI focuses on areas that customers rate as important and feel need improving.

### Service Promise

In 2007 HFI introduced a Service Promise to residents that brought together the service standards that HFI will deliver and which residents have a right to expect. This document was written with the help of our customers.

Performance against the promises made is reported in each quarterly residents' newsletter and will be described in full each year in the HFI Annual Report which is published each June.

## Performance in key service areas

### Responsive repairs

The responsive repairs function has been delivered since October 2000 by our partner Kier Islington. Kier are currently carrying out approximately 70,000 responsive repairs each year. The responsive repairs budget for 2007/08 is £5.396m. Satisfaction levels with the repairs service, measured through STATUS surveys, have risen from 38% at the start of the contract to 65% today. Performance is much improved since 2000 but still needs to improve further to register in the top quartile across all relevant PIs (Fig. 6).

Fig. 6

P.I.	Indicator	HFI 05/06 Actual	HFI 06/07 Actual	Upper Quartile (HouseMark)	HFI 07/08 Target	HFI 07/08 Actual
BVPI 185	% of repairs for which an appointment was made and kept	98.9%	98.7% (UQ)	96.1%	99.1%	
LKPI 35	The % of urgent repairs completed within time	98.7%	99% (UQ)	98.0%	99.1%	
LKPI 36	Average time taken to complete non urgent repairs in calendar days	9	8	7.9	7	
LKPI 37	% of non urgent repairs completed on time	98.2%	98.8% (UQ)	97.9%	97%	
LKPI 81	% of repairs completed in a single visit	N/A	83%	N/A	87.1%	

HFI introduced an independent monthly telephone survey (Kwest), in April 2006. They take the views of tenants who have recently received a responsive repair. The 2006/07 figure for overall satisfaction with the repairs service was 74%.

### Kier Islington Review

In 2007 HFI, Kier and LBI jointly implemented a fundamental review of the partnership.

A number of client work functions have been transferred to Kier Islington such as pre and post inspection and voids maintenance and a number of key functions in gas servicing such as programming. A number of HFI staff have been TUPE transferred in support of these functions.

In voids, the client technical function has been transferred to Kier who are now responsible for the specification and re-servicing works to all void properties. Key benefits are:

- Salary savings of £247k transferred to repairs budget to fund enhanced void standard.
- Reducing more expensive works in occupation.
- Improved customer satisfaction and reduced complaints.
- Introduction of simplified specification and new composite codes – improving speed and accuracy of specification.
- Use of mobile IT to enable on site specification and transfer of data.

The new commercial model has removed the barriers that previously existed relating to the request for variations. The lowest value 55,000 orders are now delivered at £95 each. This provides the operative with the scope to complete more jobs right first time and allows client staff to concentrate on controls to higher value repairs to ensure further value for money.

## Rent Collection

HFI's current rent arrears have fallen by £1.736m since 2004 and rent arrears of former tenants of HFI reduced by over £9m.

We try to help as early as we can when tenants fall behind with their rent. Our two objectives are to maximise the amount of rent we collect and to keep as many people in their tenancies as we can. To this end HFI introduced an Independent Advice Project, based at area housing offices, which provided free, professional and independent welfare rights and legal advice at over 600 appointments with HFI customers.

Fig. 7

Performance Indicator	2003/04	2004/05	2005/06	2006/07
BVPI 66a – Proportion of rent collected – includes arrears of current tenants for former years	94.6 %	95.8%	97.8%	98.2%
LKPI 22 – Rent arrears as a proportion of rent roll	8.45%	6.27%	4.9%	4.6%
LKPI 23 – Current arrears per tenant	£294.26	£242.82	£209.52	£201.92
LKPI 24a – Former tenant arrears (£m)	£12.8m	£10.7m	£6.0m	£3.7m

Indeed, HFI's performance in rent collection (BVPI 66a) now places HFI as the best performer amongst London ALMOs.

## Leaseholder Services

Leaseholders now represent 27% of the 36,000 properties managed by HFI. However satisfaction with services to leaseholders, whilst being about average for London, falls short of tenants' satisfaction. This represents one of HFI's major challenges. We have undertaken a number of initiatives to improve services to leaseholders:

- Restructuring of Home Ownership Services.
- Improving the consultation process with leaseholders on major works.
- Developing a range of payment options for leaseholders for major works and annual service charges.
- Providing more comprehensive debt advice for leaseholders.
- Improving process in terms of time and cost for permissions.
- Enhanced Welcome Pack for new RTB leaseholders.

The main aims of the Home Ownership services restructure were to:

- Separate the calculation and collection functions for service charges to improve efficiency.
- Provide additional resources for major works consultation and collection.
- Improve collection rates, especially for major works charges.

The Decent Homes Programme has increased capital spend on the council stock and this has meant additional costs for leaseholders, including in a few cases very high bills. This is thought to contribute to low overall satisfaction. However, leaseholders' satisfaction with the quality of major works, whilst lower than tenants' is still high.

Fig. 8

<b>2005/6 capital works satisfaction survey report</b>	<b>All</b>	<b>Leaseholders</b>	<b>Tenants</b>
Overall satisfaction with work	88% very-fairly satisfied	64% very-fairly satisfied	89% very-fairly satisfied
Rating of quality of work	89% good/fair	74% good/fair	90% good/fair
Overall satisfaction with way HFI delivered the project	91% very-fairly satisfied	68% very-fairly satisfied	93% very-fairly satisfied

### **Communication and consultation**

We continue to work with Islington Leaseholder Forum (ILF) both as a consultation group and through regular public meetings. This provides an arena for leaseholders to raise questions and concerns with senior managers. We have created a separate “business” meeting with the ILF elected members where consultation papers are discussed to increase the time available for open questions from leaseholders.

Following a positive vote from leaseholders to setting up the ILA, we have been working with a steering group in providing support to them to agree terms of reference and governance. We facilitated the selection of a consultant who worked with the steering group to finalise the details and the election of directors. The elections were completed by October 2007. The ILA will succeed the ILF as a consultative body. The organisation will represent leaseholders in discussions with HFI and the council.. HFI is confident that this will result in more positive engagement between HFI and its leaseholders.

### **Anti social behaviour**

HFI is continuing to improve this service due to the importance in which it is held by our residents. We recognise that no one agency can tackle the many causes of ASB so HFI works closely with residents, the Council, the Police and other partner agencies to make a difference to the quality of life of our residents.

Locally we have 4 area based ASB offices, each with its own dedicated ASB team. In total we have 9 ASB officers and 4 ASB assistants, each team has its own dedicated team leader. Along with the tenancy management team they are the first point of contact for the reporting of incidents on our estates.

HFI has undertaken a Service Efficiency Review of our operational ASB services. This included a benchmarking exercise against several top service providers including Sheffield and Derby Homes. This review recognised a number of areas of improvement and recommended several key process changes:

- Revision of existing operational procedures and processes.
- Introduction of both open and closed case surveys.
- Commitment to ensuring an agreed action plan for each reported case of ASB.
- Distribution of a support pack tailored to meet the needs of each individual who reports an incident of ASB.
- Development of website.
- Provision of a single number for reporting ASB.

### **ASB out of hours response team**

This team was originally set up in May 2006, and now comprises 1 line manager, 2 team leaders and 8 staff. The team is co-located with the police and patrols estates identifying ASB and providing a response service. They are operational from 4pm to midnight Monday to Thursday and 5pm to 1am Friday. Due to a number of calls being received on Sundays, and at the request of participants at the 2006 residents' conference, the service was extended to seven days a week including from 2pm to 9pm on Sundays from June 2007.

To date the team have logged over 11,000 hours of patrols, gathering information and data for use and action by the ASB teams and the police as well as providing a reassuring presence to the community.

### **Young people**

We recognise the importance of good quality youth activities in diverting young people from ASB. To support this, funding has been made available for youth activities for the last two years. The Sports Access for Everyone (SAFE) project was initiated to combat ASB amongst young people on estates and to contribute to the development of improved life opportunities for young people. In 2006/07 1,120 young people took part in the sports activities including 336 girls and young women. Over 500 have taken part in sports competitions and 71 have obtained Community Sports Leaders and Football Level 1 coaching awards. This initiative won a National Federation of ALMOs award in 2007.

In partnership with Arsenal Football Club, HFI has also initiated the HFI Arsenal Positive Futures project. Over 300 young people are signed up to the project on 5 estates. These provide after school homework clubs, IT classes and supervised football coaching sessions.

In October 2006 we initiated a pilot project to deliver a series of arts based activities across our estates. Between January and April 2007 in partnership with Childrens' Services we developed and ran projects on 7 of our estates, with activities varying from street dance and arts and crafts to music production. Approximately 200 young people participated in these projects.

### **Respect Standard in Housing Management**

HFI welcomes the Respect Standard in Housing Management as a useful tool in bringing best practice into the organisation and as a standard for our residents to judge us against.

Following consultation with residents through the area panels, HFI signed up to the Respect Standard for Housing Management on 22 May 2007. A launch event to celebrate the signing was held in partnership with Islington Borough Council and several local RSLs on the Harvist Estate in July 2007. The standard is advertised to residents via the HFI website.

## Equalities and Diversity

HFI serves a diverse community and seeks to develop its services informed by the needs of its diverse customer base thereby tailoring services to the needs of its customers.

HFI has worked effectively to provide equitable access to all and has;

- Ensured that all HFI offices and Partners offices are accessible and comply with the provisions of the DDA and has used mystery shopping by disabled tenants to monitor performance.
- Employed Disability Action in Islington to assess HFI's 23 TMOs and make recommendations as to how compliance can be achieved.
- Continued the programme of works on updating and ensuring disabled access to Community Centres within the finances available from the council.
- Introduced annual repair checks for the visually impaired and smoke alarms for deaf and deafened tenants.
- Consulted HFI's Disability Forum about the specification of entry doors used on future schemes.
- Produced language identity cards for the repairs service and piloted text reporting of repairs.
- Updated the HFI website in 2007 and in doing so ensured it is accessible to all residents.
- Undertaken an audit of staff language skills which will enable the organisation to deploy these in-house skills effectively.

### **Understanding our customer profile and assessing our performance**

HFI has prioritised the 'mapping' of its residents by diversity strands, a process which seeks to collate information held about customers on the IT system i-World.

Following a successful mail-shot to residents, a number of initiatives to increase collection are being carried out, including updating the information that is held on leaseholders. These measures include issuing information collection forms with a range of other applications and completing the form with residents during sign ups and other interviews. In addition, HFI Direct staff are calling residents where diversity information is not complete to further update records. Current percentage of information held against diversity strands 70%. The increase in information has allowed HFI to carry out a programme of service evaluations analysing performance by diversity strand in the following areas;

- Rent Arrears
- Complaints
- Repairs
- Antisocial Behaviour
- Lettings

HFI used this diversity mapping information to check that we are using the correct community languages in translated material.

We also installing specialised visual smoke alarms for our deaf and deafened residents and introduced annual repair checks for tenants with visual impairments. HFI will continue to use the diversity mapping profile to add or amend services to meet diverse needs.

## Resident Involvement

HFI recognises that effective resident participation structures are central to a responsive and effective service.

HFI agreed a new Resident Involvement strategy in 2007 that placed emphasis on the following;

- It re-enforced the existing consultative structures described below.
- It highlighted HFI's intention to find other ways of engaging with residents who might not wish to be formally involved.
- It linked HFI's Community Engagement strategy and Equalities and Diversity Strategy into achieving the objectives listed above.

HFI is a genuinely resident led organisation that enables tenants and leaseholders to influence the way their homes are managed. Of the 17 board directors, 9 are residents, including two council nominees who ensure the tenant majority. All resident board directors have an ongoing training programme to ensure that they are kept up to date with developments that affect their roles. Resident board directors are elected for a term of four years. An election of Board members took place in September 2007 and HFI visited a range of community groups across the diversity strands to encourage the widest possible representation and participation.

Residents in 25 TMOs or Co-operatives directly manage approximately 11% of HFI stock.

During 2007, HFI undertook the following improvements;

- We worked with leaseholders to develop a new association called Islington Leaseholders Association that will concentrate on improving HFI's relationship with its leaseholders
- We negotiated a revised service level agreement with the Federation of Islington Tenants Association (FITA) ensuring improved value for money.
- Recognised the Federation of Islington Tenant Management Organisations (FITMO) as a new umbrella body for TMO members.

In acknowledgement that not all of our residents wish to be involved in the formal resident participation structures, HFI has set up an Involvement Register that offers people the chance to be involved in a number of ways outside of traditional meetings and forums. These include focus groups, email surveys and mystery shopping. Since the launch over 600 residents have joined, including 200 leaseholders. Outputs so far include:

- Leaseholder survey on RTB communications.
- Leaseholder survey on content for Leaseholder Information Fair.
- Tenant consultation on evaluation of Just Rewards Scheme.
- Sixty members who expressed interest in events invited to residents conference.
- Members surveyed on Dog Control Orders with 33% response rate.
- Tenants consulted on rent arrears standard letters.
- Members consulted on ASB procedures.

## Efficiency & Value for money

HFI's mission is "to continuously improve housing for local residents, through sound investment, the effective management of resources and the relevant involvement of staff, residents and community partners". We are committed to providing value for money in everything we do and will ensure we have effective mechanisms in place to test value for money, improve efficiency and improve our service to customers.

### **Service Review Programme**

HFI considered that all services provided should be subject to service efficiency review. A programme of service reviews over a five year period was therefore drawn up. The rent review report was completed in September 2007.

Five other reviews are also completed, Customer Access, Payment Process, M&E and Antisocial Behaviour. Due to recommendations in the VIW report, reviews of HFI's Recharge Policy and Translation and interpretation policy were added to the programme.

The service efficiency review process has been a major contribution in changing the culture of HFI towards long-term continuous improvement and value for money driven by residents' priorities, because;

- It brings many staff into the VFM and review process.
- It is 'head up', involving extensive benchmarking and visits to other organisations.
- It is a major vehicle for consultation with residents and other stakeholders on the services we provide.
- It is a strategic method for improving services and efficiency that involves the Board of Directors.

### **Efficiencies**

HFI made a number of significant efficiency gains in 2007/08. Among these are:

- £10.270m on framework contracts to date.
- £615k in reduced use of Legal services
- £623k of efficiencies identified in the Kier Review through co-location of Kier and HFI staff and elimination of duplication

### **Reporting Efficiency Gains – the Annual Efficiency Statement**

HFI reports the results of our efficiency work each year in the form of the annual efficiency statement required by government from local authorities. The statement is provided to the Council for inclusion in their AES submission.

Homes for Islington's forward look for 2007/08 envisaged efficiency gains of £1,068,900 during the year. HFI also undertakes a 6-month review of its AES forward look and for 2007/08 this indicated that the majority of the projected savings on all items in the forward look either had already or were on target to be achieved by the end of the financial year.

The AES for 2008-09 is set out in the table below.

## Annual Efficiency Statement 2008-09

2008-09 Annual Efficiency Statement					
Target: £1,706,000					
Cashable	E1	Reducing inputs (money, assets, people etc) – same outputs			
Cashable	E2	Reducing prices (procurement, labour costs etc) – same outputs			
Non cashable	E3	More outputs or improved quality – same inputs			
Non cashable	E4	More outputs or improved quality in return for an increase in resources that is proportionately less than the increase in output or quality			
AES category			Cashable	Non cashable	Detail
E1		Accountancy Efficiency Team Review	34,000		Streamlining processes/workflows & further development/use of IT..
E1		HR & Communications Efficiency Review	15,000		Transfer from manual to electronic recruitment processes
E2		Reduction in Venue, food costs for training courses & staff conf. costs	29,000		Sourcing more economic venues, making greater use of inhouse rooms. Lunch not provided for ½ day courses. Staff conf. 3 to 2 day event.
E1		Residents News Letter/Annual Report	25,000		Condensing content of news letter into less pages & including annual report in summer news letter.
E1		Rent Collection Efficiency Review	64,000		Streamlining processes/workflows & further development/use of IT.
E1		IT & Facilities Team	40,000		Streamlining processes/workflows & further development/use of IT. Budget Reduction.
E2		Facilities Team	10,000		More economic purchases procurement
E2		Director of Resources office	12,000		Re-negotiation of Audit & other Financial services contracts
E2		Bank Charges & Interest earned	50,000		Improved treasury management & reduction in bank charges arising from cheaper payment options being made available to tenants
E2		Reduction in TSG ISSC	18,000		Negotiated contract price reduction – whilst maintaining the same level of service
E2		Reduced inflation provision	175,000		More prudent assumptions applied when setting budgets with regards to 2008-09 inflation.
E1		Diversity & Resident involvement	100,000		Diversity mapping & resident involvement register established in 2007-08, less budget provision required for ongoing maintenance costs.
E1		Listening – focus groups/satisfaction surveys	51,000		Re-alignment of functions to other service areas – costs absorbed within existing budgets
E1		Service Development Officers	30,000		Streamlining processes & workflows within the

					team
E1		Board Selection & Election	28,000		Process carried out in 2007-08 – budget not required in 2008-09
E2		Legal Services ISSC & court Officer post reduction	435,000		Re-negotiation of LBI contract – service charges & defended possession legal work taken on in-house
E1		Shrub bed replenishment	50,000		More creative use of planting requiring less replenishment
E1		Decoration Vouchers	60,000		Falling voids numbers – resulting in a reduction in the budget required for decoration vouchers
E1		HFI Direct	50,000		Streamlining of processes & workflows within the team
E1		Estate Parking Team	30,000		Streamlining of processes & workflows within the team
E1		Area Offices Bulk Refuse Contingency	40,000		All costs associated with the bulk refuse service are able to be funded from the central HFI budget – local budget provision not required.
E1		Housing Investigations	30,000		Streamlining of processes & workflows within the team
E1		Home Ownership Unit	30,000		Streamlining of processes & workflows within the team
E1		Caretakers Response Team	65,000		Streamlining of processes & workflows within the team
E1		Health & Safety	100,000		H&S work linked to activity on construction sites to be recharged to capital
E1		Rationalisation of the property services structure	115,000		Streamlining of processes & workflows within the team
E1		Customer Satisfaction surveys	20,000		Re-organisation of & re-assessment of the methods used in obtaining customer views
		<b>TOTAL</b>	<b>1,706,000</b>		

## Homes for Islington Objectives for 2008-13

No.	Proposal	Timescale	Lead	Measurable Outcomes	Growth/Efficiency
1.	Customer Relationship Management (CRM) system implementation	April 2009	D. Selo	CRM system in place.  Increase in calls answered right first time.  Tenant satisfaction 78% - 2009/10	Growth bid to LBI estimated at maximum of £300k.  <b>Priority 1</b>
2.	Implement integrated Housing Management system	December 2008	D. Selo	Decision taken on the future of OHMS	Nil cost in 2008/09 but potential for costs in 2009/10 (to be evaluated)  <b>Priority 2</b>
3.	Implement full document image processing system	April 2009	D. Selo	All new tenants to have electronic file.  All new correspondence for existing tenants held electronically.	Estimated cost £100k.  Bid to LBI for £70k - £30k from HFI ICT budgets.  <b>Priority 1</b>
4.	Explore moving rent arrears function (low level) to HFI Direct.	Nov 2008	D. Goldring	Tenants able to make rent enquiries of HFI Direct and the service advertised to all tenants through a variety of media.	Cost £20k from within existing HFI budgets  <b>Priority 2</b>
5.	Develop 'preferred method of contact' list for all residents including outward bound texting.	March 2009	S. Kwong	Full list in place of preferred method of contact for all residents who express a preference	Cost estimated at £35K from within existing HFI budgets  <b>Priority 2</b>
6.	Introduce photographic GIS mapping system	March 2010	D. Selo	GIS template in place for all estates that enhances housing management capabilities.	Estimated cost £50k  <b>Priority 3</b>

No.	Proposal	Timescale	Lead	Measurable Outcomes	Growth/Efficiency
7.	Provide more services on-line – commencing with Parking services, service charge payment, transfers	March 2009	D. Selo	Parking services, service charge payment and transfer information and forms available on-line via the HFI web-site.	Estimated cost of £30k. From within existing HFI budgets  <b>Priority 1</b>
8.	Introduce phone recording equipment for all HFI calls.	October 2008	D. Selo	Phone call recording equipment installed and available to HFI Direct and all public access offices.	Growth of £65k from existing HFI budgets  <b>Priority 2</b>
9.	Ensure office based staff who have a customer interface on estates have access to relevant systems through PDAs	April 2009	D. Selo	Remote access to rent account information when off site for all relevant income recovery staff.	Estimated cost of £40k.  <b>Priority 2</b>
10.	Procure Repairs and Maintenance contract for commencement in October 2010.	October 2010	P. Taunton	Project plan in place and actions completed to timescale for the procurement of new R&M partnering contract.	LBI cost. Estimated costs in 2008/09 and 2009/10 to be evaluated.  <b>Priority 1</b>
11.	Plan for more streamlined capital programme clienting resource post 2010/11	March 2009	P. Taunton	Staffing levels reviewed and staffing strategy in place following consultation to take account of capital programme clienting needs post 2010.	From within existing HFI budgets
12.	Implement the recommendations from all Service Efficiency Reviews 2007/08		Service Directors	Recommendations arising from service efficiency reviews implemented to timescale. To be monitored through HFI continuous improvement plan from April 2008.	
	Rent and arrears collection				Estimated efficiencies of £70k in staffing costs.

No.	Proposal	Timescale	Lead	Measurable Outcomes	Growth/Efficiency
	Translation services				Estimated additional cost of £5k pa. From within existing HFI budgets
	Recharges				Estimated savings to the Repairs Budget of £250k in additional recharge revenue and deterrent effect of recharge cost.
	Mechanical and electrical services				All efficiencies are expected to be non-cashable. Any costs from within existing HFI budgets.
	HR processes				Budgeted for £70k efficiencies in 2007/08. No additional savings in 2008/09. Any costs from within existing HFI budgets.
	HRA management				To be evaluated further into the review.
	Facilities management				Efficiencies identified and being used to fund further recycling initiatives
13.	Implement and enforce dog control orders	September 2008	D. Goldring	HFI enabled to issue fixed penalty notices to prevent repeated dog fouling on estates.	From within existing HFI budgets  <b>Priority 1</b>
14.	Negotiate with Greenspace terms of new specification/contract.	December 2008	D. Goldring	New specification and price agreed with Greenspace for new grounds maintenance contract	Growth bid to LBI £100k in 2008/09. £400k in a full year  <b>Priority 2</b>
15.	Extend community engagement based on evaluation of 2007/08 community engagement activity	April 2009	S. Kwong	Full spend and VFM obtained for the Community Fund. Activities targeted at contributing to Sustainable Communities Strategy	Up to £100k identified within the HFI management fee.  <b>Priority 1</b>
16.	Undertake full Smart Working review	April 2009	D. Selo	A smart working strategy consulted on	From within existing HFI budgets

No.	Proposal	Timescale	Lead	Measurable Outcomes	Growth/Efficiency
	and produce a Smart working Strategy for efficiencies to be delivered in 2009/10			and in place for implementation in 2009/10.	in 2008/09 with efficiencies thereafter to be evaluated as part of the review  <b>Priority 2</b>
17.	Confirm opportunities for providing services to partners. E.g. LBI, Islington RSLs.	April 2009	S. Kwong	Decisions taken on level of service provision to be provided to Islington based housing organisations.	From within existing HFI budgets  <b>Priority 1</b>
18.	Annual visits by Tenant Management Advisors to vulnerable households.	October 2008	D. Goldring	All tenants within vulnerability criteria visited annually for assessment of needs and tenancy sustainability.	From within existing HFI budgets  <b>Priority 2</b>
19.	Deliver new build programme (2010)	December 2010	P. Taunton	Arrangements in place for delivery of new build financed independently of London Borough of Islington.	LBI funding of £10m  <b>Priority 1</b>
20.	Establish arrangements for delivery of new build post 2010	March 2009	P. Taunton	Draft programme of further new build in place and consultation with partners commenced.	From within existing budgets  <b>Priority 1</b>
21.	Develop Asset Management Strategy	March 2009	P. Taunton	Asset Management Strategy agreed by Board	From within existing budgets  <b>Priority 1</b>
22.	Achieve target reductions in CO <sup>2</sup> emissions of 15% from Council's housing stock as agreed by Climate Change Partnership	March 2011	P. Taunton	At least 15% reduction in CO <sup>2</sup> emissions from HFI housing stock by 2010 measured through audited average SAP rating of 71 by 31 <sup>st</sup> March 2011	From within existing budgets  <b>Priority 1</b>

## Future Objectives 2008-13

Homes for Islington focuses solely on delivering excellent services for Islington. We have established ourselves as a force for change in the local community and take pride in a role that is transforming neighbourhoods as well as homes. Our future objectives will build on this wider inclusive community renewal agenda.

### **New build council homes**

In 2007 LBI commissioned HFI to undertake a new build programme of mainly larger units of social housing over the next three years with £10m of funding approved by the Council's Executive. Planning applications for the first three sites were heard in early 2008. This is a pilot scheme that will contribute to the Council's One Islington vision by increasing the availability of modern, high standard Council housing to residents in need of decent homes.

All the new homes provided by HFI will remain 100% available to housing nominations by the Council to house residents from the transfer and waiting lists. Only a percentage of housing association stock in the borough can be used by the Council in this way. In addition the pilot will allow HFI to develop the skills and experience that will place the organisation in a good position for bidding for grant funding for further development in the future.

### **Developing new business**

HFI is commencing exploratory discussions with other local housing organisations to provide services to their residents. HFI is entirely locally based unlike most large registered social landlords who often regional or national. This places HFI in a good position to deliver services that tenants and leaseholders need from local offices that these residents can easily access. In the first instance consideration is being given to the provision of caretaker services, housing investigations and the Out of hours Antisocial Behaviour Mobile Response Team.

### **Community engagement**

HFI will target a further increase in the collection of diversity data and ensure that levels of information held on ethnicity and disability are raised. We will continue to use our community contacts to promote a higher take up in some communities. This information will be used to further increase the shaping of services to the diverse needs within the borough.

We will consider the production of a standards booklet on customs, faith and disability awareness for staff. HFI will also integrate our timetable of Equality Impact Assessments into a resident consultation timetable For instance new policies to go to disability panel.

HFI will also consider the development of a BME Forum/Focus Group to be formed in the same way as the Disability Panel to target lower satisfaction levels in the BME community.

HFI will continue to encourage, and where possible fund, community events and projects to promote opportunity and community cohesion.

**Tackling climate change**

HFI is a signatory to the Council's Climate Change Partnership and is committed to reducing CO2 emissions from the housing stock to 15% below the 2005 level by 2010.

HFI has agreed plans to achieve this objective, including improved insulation, more efficient individual and communal boilers, the provision of meters for residents receiving communal heating and the introduction of renewable energy sources.

**Antisocial behaviour**

We will continue to work with partners such as the police and community groups that give local people the tools to prevent antisocial behaviour as well as tackle it, giving the local community greater confidence in our commitment to creating safer estates where they are proud to live.

**Customer services**

We are also examining the opportunities for a Customer Relationship Management system which will build up a history of our contacts with our customers so that there is no longer a need to speak to specified members of staff. This will enable residents to go to any housing office to deal with their enquiries.

### Performance Indicators 2008 - 12

PI Ref.	Description	06/07 Outturn	07/08 Target	07/08 Outturn	08/09 Target	09/10 Target	10/11 Target	11/12 Target	Service Director
BVPI 74 i	Tenant satisfaction with overall service	64%	68%		76%	78%	80%		Simon Kwong
BVPI 74 ii	Satisfaction of Black and Minority Ethnic (BME) tenants	60%	66%		75%	77%	79%		Simon Kwong
BVPI 74 iii	Satisfaction of non-BME tenants	66%	70%		76%	78%	80%		Simon Kwong
BVPI 75 i	Tenant satisfaction with opportunities for participation	54%	58%		61%	63%	65%		Simon Kwong
BVPI 75 ii	Satisfaction of BME tenants with participation	55%	58%		61%	63%	65%		Simon Kwong
BVPI 75 iii	Satisfaction of non-BME tenants with participation	52%	56%		61%	63%	65%		Simon Kwong
LKPI 5a	% complaints replied to in 10 days	97%	98.5%		98%	98.5%	99%		Eamon McGoldrick
LKPI 6a	% correspondence replied to in 10 days	98.3%	98.5%		98.5%	98.75%	99%		Eamon McGoldrick
LKPI 100	% of phone calls answered within 20 seconds with corporate greeting	94.9%	95.2%		95.5%	96%	96.5%		All
BVPI 66a	Proportion of rent collected (YTD)	98.2%	98.47%		99.3%	99.7%	99.9%		Doug Goldring

PI Ref.	Description	06/07 Outturn	07/08 Target	07/08 Outturn	08/09 Target	09/10 Target	10/11 Target	11/12 Target	Service Director
LKPI 23	Current arrears per tenant	£201.70	£179.62		£166	£162	£160		Doug Goldring
LKPI 71a	Service charge arrears – annual charge average debt per leaseholder	£120.00	£110		£520	£510	£500		Doug Goldring
LKPI 71b	Service charge arrears – major works average debt per leaseholder (inc estimated invoices from April 06)	£1261	£1210		£1450	£1300	£1200		Doug Goldring
BVPI 212 PI *	Average re-let time (days)	23	22.5		23	22	21		Doug Goldring
LKPI 185	% repairs for which an appointment has been made and kept	99%	99.1%		98.9%	99.0%	99.1%		John Phillips
LKPI 14	% gas services completed by individual gas systems – Kier Islington & Partners for Improvement in Islington	99.1%	100%		100%	100%	100%		John Phillips
LKPI 35	% urgent repairs completed in time (priorities H0-3, YTD)	98.6%	99.1%		99.1%	99.2%	99.3%		John Phillips
LKPI 81	% of repairs completed in a single visit	86%	87%						John Phillips
LKPI 36	Ave time taken to complete non-urgent repairs in working days	9	7.8		7.4	7.2	7		John Phillips
LKPI 39b	HFI Direct telephones – average time to answer	-	93%		93.25%	93.5%	93.75%		Doug Goldring
BVPI 63	Energy efficiency SAP rating	63	67		69	69	70		John Phillips
	Percentage of victims reporting an anti-social behaviour incident, who say they will report any future incidents	87%							Doug Goldring

PI Ref.	Description	06/07 Outturn	07/08 Target	07/08 Outturn	08/09 Target	09/10 Target	10/11 Target	11/12 Target	Service Director
BVPI 184a	Proportion of LA Homes that were non decent at 1 <sup>st</sup> April each year	50.2%	46.9%		40%	25%	5%		John Phillips
BVPI 184b	The percentage change in the proportion of non decent dwellings between the start and the end of the financial year	11.6%	21.6%		38.7%	80.4%	100%		John Phillips
BVPI 211a	The proportion of planned repairs and maintenance expenditure compare to responsive repairs maintenance expenditure	44.8%	60/40		60/40	60/40	60/40		John Phillips
BVPI 175	% Racial Harassment incidents resulting in further action	100%	100%		100%	100%	100%		Doug Goldring
LKPI 69a	% average score of caretaking inspections (monthly)	89.6%	80%		81%	82%	83%		Doug Goldring
LKPI 76	Average weekly cost of management per unit (year end target)	-	£28		£27.50	£27	£26.50		Eamon McGoldrick



Report of	Team	Job Title
Simon Kwong	Chief Executive Directorate	Head of Performance and Service Development

Name of Meeting	Date of Meeting	Agenda item	Status
HFI Board	25 February 2008	7	Monitoring

**Subject of Report:** Strategic Performance Management

**1 Synopsis**

- 1.1 This report provides the Board with a strategic overview of performance management indicators, and progress on objectives in the Business Plan 2007-08.

**2 Recommendation**

- 2.1 That the Board of Directors notes the content of the report for monitoring purposes.

**3 Background**

- 3.1. The Board receives a quarterly performance management report based on performance indicators (PIs) and associated targets that cover the key services provided by Homes for Islington. Board last received this report in December 2007 for Quarter 2 2007/08.

Some PI's are Best Value indicators (BVPI) that we are required by the Audit Commission to collect. Targets for these indicators are required to be set so as to achieve the performance of the top local authorities and ALMOs within five years. The others are local indicators defined by HFI with targets reviewed and set annually at the start of each financial year. Board agreed targets for 2007/08 at its February 2007 meeting.

- 3.2 Appendix 1 shows the performance indicators for quarter 3, December 2007. It uses a system of flags to give a simple guide to how well we are doing:

✓ means that we have met or exceeded the target that was set year to date.

X means that the target has not been achieved in the year to date.

For every indicator marked X there is, where applicable, an action showing what we are doing to improve performance and meet the target. The plan also gives a risk factor, which indicates the difficulty of meeting the target by the year-end.

#### 4 Current Performance

Current performance on the 31 indicators can be summarised as:

- For 9 of the indicators the target has been fully met or exceeded up to December 2007.
- For 10 of these indicators we have not reached the target set by December 2007.
- 5 indicators have year end targets.
- 7 indicators have no target associated.

#### 5 Under-performing Indicators

##### 5.1 Item 1 (LKPI 5a) – Percentage of complaints replied to within 10 days

06/07 Result	07/08 target	Sept 07	Dec 07
97.0%	98.5%	89.7%	90.8%

Year to Date Figures

#### Comment

Performance has improved each month in the last quarter but remains below target. Performance of Property Services has improved from 81% in September to 93% in December.

#### Action

**Operations Division:** Performance in the area housing offices remains consistently high however there have been three complaints missed in the last quarter attributable to the central operations teams. This has been raised with the managers concerned as it is below the acceptable standard.

**Property Services Division:** The improvement seen in Property Services is the resulting of a targeting of resources to this area.

#### Risk - High

##### 5.2 Item 2 (LKPI 6a) – Percentage of correspondence replied to within 10 days

06/07 Result	07/08 target	Sept 07	Dec 07
98.3%	98.5%	99.1%	98.0%

Year to Date Figures

#### Comment

The performance trend remains upwards. Performance at December is close to but still below target.

#### Action

**Operations Division:** YTD operations are ahead of target other than for Home Ownership which is at 98.0% and HFI direct where one letter has been

missed this year. Home Ownership Unit's performance was 99.6% in the last quarter and is improving following a re-emphasis on the importance of this task.

**Property Services Division:** The level of performance in Property Services is improving, although not as quickly as anticipated in some sections. Further changes to internal processes such as decentralising the recording and management of correspondence will provide more direct accountability and help deliver the required improvements in the coming months.

**Risk- Low**

**5.3 Item 4 (BVPI 8) – Percentage of invoices paid within 30 days**

06/07 Result	07/08 target	Sept 07 performance	Dec 07 performance
94.7%	94.0%	90.2%	88.6%

Year to Date Figures

**Comment**

Performance has declined since last quarter and has been below target since June 2007.

**Action**

Invoices have not been forwarded to the payments team in sufficient time to achieve the 28 day deadline. All budget holders and specific individuals have been reminded of the necessity to prioritise invoice payment. Late invoice submissions are logged and subsequently reviewed by SMT and action taken. The introduction of purchasing cards will have a positive impact on reducing the volume of invoices processed.

**Risk - High**

**5.4 Item 7 (BVPI 66a) – Proportion of rent collected (includes arrears from former years)**

06/07 Result	07/08 target	September 07	December 07
98.2%	98.5%	98.4%	98.0%

Year to Date Figures

**Comment**

The reduction in performance in December is seasonal and can be expected to improve in January. However performance remains marginally below target for the year.

**Action**

Arrears are reducing and December's figures show as they do every year the lack of payments on account owing to Christmas close down. Early indications are that January's figures are significantly better.

## Risk- Low

### 5.5 **Item 8 (LKPI 21) – Proportion of rent collected (does not include arrears of current tenants for former years)**

06/07 Result	07/08 target	September 07	December 07
99.6%	100.8%	99.2%	98.8%

Year to Date Figures

#### **Comment**

The reduction in performance in December is seasonal and can be expected to improve in January. However performance remains below target for the year.

#### **Action**

See action in Item 5.5 above.

## Risk- Medium

### 5.6 **Item 15 (LKPI 71b) – Service charge arrears – major works average debt per leaseholder**

06/07 Result	07/08 target	September 07	December 07
£1,261	£1,210	£1,092	£1,405

Year to Date Figures

#### **Comment**

The average debt per leaseholder has been above target for the last three months (October to December).

#### **Action**

Average Major Works debt is a product of charges raised and cash collected. There is a time-lag between raising new invoices and collecting the corresponding charges, bearing in mind that charges are debited as a lump sum but are paid in instalments over a number of months or years. So raising a large value of charges will tend to push up the average debt outstanding.

In the period in question, charges raised totalled £5.4 million and cash collected was £1.36 million. This resulted in the increase in the average debt. The monthly cash collection rates are currently at their highest level.

## Risk- Low

### 5.7 **Item 16 (LKPI 35) – The percentage of urgent repairs completed within time**

06/07 Result	07/08 target	September 07	December 07
98.6%	99.0%	99.3%	98.9%

Year to Date Figures

#### **Comment**

A review of the current year's repairs data has enabled us to report performance for this PI more accurately. Performance figures for the first six months of the year are now slightly lower than previously reported which means that the year to date performance as at December was slightly below target (only 0.1%). However performance for the months of November and December was above target.

**Action**

Analysis of urgent repairs shows that HFI has been ordering more of this type of work than is preferred. This is being addressed at HFI Direct, and it will also be considered within the repairs policy review, due to complete and be implemented by June 2008.

**Risk- Low**

**5.8 Item 21-23 – Percentage of gas systems with a valid gas certificate (CP12)**

06/07 Result	07/08 target	September 07	December 07
HFI (North & South contracts) 99.4%	100%	97.2%	99.6%
(PFI 1) 99.6%	100%	98.9%	99.6%
(PFI 2) 97.8%	100%	98.8%	99.3%

**Comment**

There has been a significant improvement in performance in the HFI contracts since September and PFI performance also increased. The 100% target is very challenging but could conceivably be achieved at year end.

**Action**

Performance has greatly improved since adoption of servicing by due date was adopted in the summer of 2007. HFI now use all best practices identified by the Audit Commission in our gas servicing techniques, in order to gain entry within timescales. With performance now at 99.6%, this represents just 119 properties across the borough without an up-to-date certificate, The effort needed to achieve the remaining numbers is increasing all the time. Greater reliance on court processes will be necessary to achieve 100% by year end.

**Risk – Medium**

**5.9 Conclusion**

Two indicators have been marked as high risk in this report. This is because it will require an exceptional improvement in performance in the last quarter of the year to counter-balance the below target performance of the first three quarters.

**6 Progress with Business Plan 2007-08 Objectives**

Broadly speaking actions designed to achieve the accomplishment of business plan 2007-08 objectives are on track after the second quarter (see Appendix

2). There are no risks identified to the achievement of the remainder of these objectives at this time.

### **6.1 Conclusion**

The majority of actions in the Homes for Islington 2007/08 Business Plan are on target for completion with no risks identified at this stage.

Report Author: Anthony Jonas, Performance Manager  
Telephone: 0207 527 4062  
Email address: [anthony.jonas@homesforslinton.org.uk](mailto:anthony.jonas@homesforslinton.org.uk)

## Appendix 1

**HFI Board Performance Indicator Report**

**December 2007**

# How We're Performing



improving housing through partnership

## SUMMARY OF RESULTS FOR KEY PERFORMANCE INDICATORS

On or above target



Below Target



	PI reference	Description	Current target	This month	Year to date	YTD target met?	06/07 result	Service Director
<b>Customer Care</b>								
1	LKPI 5a	The percentage of complaints replied to within 10 days	98.5%	95.7%	90.8%	✗	97.0%	Eamon McGoldrick
2	LKPI 6a	The percentage of correspondence replied to within 10 days	98.5%	98.5%	98.0%	✗	98.3%	Eamon McGoldrick
3	LKPI 100	The percentage of calls answered within 20 seconds (6 rings) with corporate greeting	95.2%	98.2%	95.3%	✓	94.9%	Eamon McGoldrick
<b>Invoices Paid</b>								
4	BVPI 8	The percentage of invoices paid within 30 days	94.0%	81.0%	88.6%	✗	94.7%	David Selo
<b>Harassment</b>								
5	BVPI 174	The number of racial harassment incidents reported	N/A	3	23	-	24	Doug Goldring
6	BVPI 175	The percentage of racial harassment incidents resulting in further action (CPA Indicator)	100.0%	66.7%	95.7%	✗	100.0%	Doug Goldring

## SUMMARY OF RESULTS FOR KEY PERFORMANCE INDICATORS

On or above target



Below Target



	PI reference	Description	Current target	This month	Year to date	YTD target met?	06/07 result	Service Director
<b>Rent Collection</b>								
7	BVPI 66a	Proportion of rent collected - <i>Includes arrears of current tenants for former years</i> (CPA Indicator)	98.5%	-	98.0%	✗	98.2%	Doug Goldring
8	LKPI 21	Proportion of rent collected - <i>does not include arrears of current tenants for former years</i>	100.8%	91.6%	98.8%	✗	99.6%	Doug Goldring
9	LKPI 22	Rent arrears of current tenants as a proportion of the authorities rent roll (end of year target)	3.77%	-	4.5%	-	4.6%	Doug Goldring
10	LKPI 23 (MPG)	Current arrears per tenant (end of year target)	£180.00	-	£198.77	-	£201.72	Doug Goldring
<b>Voids and re-lets</b>								
11	LKPI 31 (MPG)	The percentage of management voids	0.40%	-	0.26%	✓	0.27%	Doug Goldring
12	BVPI 212	Average re-let time (days) (CPA Indicator)	22.5	26	22	✓	23	Doug Goldring
<b>Caretaking</b>								
13	LKPI69b	Percentage of caretaking inspections achieving an A or B grade	91.0%	94.3%	92.1%	✓	89.6%	Doug Goldring
<b>Home ownership</b>								
14	LKPI71a	Service charge arrears - annual charge average debt per leaseholder	£110	-	£77	✓	£120	Doug Goldring
15	LKPI71b	Service charge arrears - major works average debt per leaseholder	£1,210	-	£1,405	✗	£1,261	Doug Goldring
<b>Repairs</b>								
16	LKPI 35 (MPG)	The percentage of urgent repairs completed (priority H0, H1 & H2 time limits)	99.0%	99.6%	98.9%	✗	98.6%	John Phillips
17	LKPI 185	Percentage of repairs for which an appointment was made and kept	98.8%	99.4%	99.4%	✓	99.0%	John Phillips
18	LKPI 37	The percentage of non-urgent repairs completed (priority H4 & H6 time limits)	97.0%	99.6%	97.9%	✓	98.8%	John Phillips

## SUMMARY OF RESULTS FOR KEY PERFORMANCE INDICATORS

On or above target



Below Target



	PI reference	Description	Current target	This month	Year to date	YTD target met?	06/07 result	Service Director
19	LKPI 83a	The percentage of HFI calls answered within 20 seconds - normal hours	11.5	37.0	17.0	✓	N/A	Doug Goldring
20	LKPI 104	The number of repairs recharged (end of year target)	30	27	142	-	38	John Phillips
<b>Gas servicing</b>								
21	LKPI 14a	The percentage of gas services completed by Individual Gas Systems (Kier Islington)	100.0%	-	99.6%	✗	99.4%	John Phillips
22	LKPI 14b	The percentage of gas services completed by Individual Gas Systems (PFI 1)	100.0%	-	99.6%	✗	99.6%	John Phillips
23	LKPI 14c	The percentage of gas services completed by Individual Gas Systems (PFI 2)	100.0%	-	99.3%	✗	97.8%	John Phillips
<b>Anti-social behaviour</b>								
24	LKPI 101a	The number of Acceptable Behaviour Contracts signed	N/A	10	38	-	56	Doug Goldring
25	LKPI 101b	The number of Notice Seeking Possessions issued	N/A	8	86	-	88	Doug Goldring
26	LKPI 101c	The number of Evictions obtained	N/A	2	6	-	8	Doug Goldring
27	LKPI 101d	The number of Injunctions obtained (all anti-social behaviour)	N/A	4	30	-	20	Doug Goldring
28	LKPI 101e	The number of Anti-Social Behaviour Orders	N/A	1	3	-	5	Doug Goldring
29	LKPI 101f	The number of live Acceptable Behaviour Contracts	N/A	17	17	-	28	Doug Goldring
30	LKPI 102	The number of repossessions obtained by the Housing Investigations Team (end of year target)	95	7	66	-	91	Doug Goldring
<b>Tenancy Management</b>								
31	LKPI 103	The percentage of tenancy audits completed	10.5%	-	7.3%	-	10.8%	Doug Goldring

## Appendix 2

Amended 30.1.08

## Business Plan Objectives 2007-08 - Monitoring Report (Quarter 3)

	Actions & Key Milestones	Timescale	Measuring Progress & Success				Lead	Comments
		End date	Measurable Outcomes	Target	Performance			
				07/08	1st Qtr	2nd Qtr		
<b>Strategic Housing Objective 1: To be an excellent service provider</b>								
1.1	<b>Achieve 3 stars in the Audit Commission ALMO Re-inspection</b>	<b>Jan-08</b>	A 3 star judgement in the ALMO Re-inspection				Chief Executive	On site inspection completed. Inspection report due to be published by Audit Commission early March.
			The improvements identified in the VIW Inspection Report of January 2007 delivered to the timetable set out in the Continuous Improvement Plan					Rigorous monitoring of VIW improvements monthly with individual Service Directors. Risks assessed and mitigated through steering group.
1.2	<b>Improve estate cleaning services through development of a caretaking reactive cleaning service HIT squad to provide immediate response in appropriate cases.</b>	<b>Jul-07</b>	Percentage of caretaking inspections graded as A or B to reach 92% by end of 2007-08.	92%			Director of Operations Garry Bates	HIT squad in place. Issues on long term funding.
1.3	<b>Improve services to diverse tenants</b>	<b>May-07</b>	Equality & Diversity strategy reviewed in light of VIW report.				Head of Performance and Service Development Simon James	HFI Board agreed unchanged strategy document in June 2007. Action plan, including VIW recommendations, also agreed.
1.4	<b>Produce and make available by post on request, repair &amp; maintenance expenditure statements to leaseholders</b>	<b>Jul-07</b>	Details of relevant repairs and maintenance expenditure sent to home owners so that queries can be picked up quickly before final accounts are sent				Director of Operations Nigel Freeman	Monthly accounts sent to associations. Advertised in homeowner. Completed.
<b>Strategic Housing Objective 2: To improve homes</b>								
2.2	<b>Improve planning for major works by developing and producing an Asset Management Strategy</b>	<b>Apr-09</b>	Asset Management Strategy in place				Director of Property Services/Ferenc Morath	There will be a clear plan and initial actions taken by time of inspection. Scope and project plan in place.

	Actions & Key Milestones	Timescale		Measuring Progress & Success				Lead	Comments
		End date	Measurable Outcomes	Target	Performance				
				07/08	1st Qtr	2nd Qtr	3rd Qtr		
2.3	Implement annual repair checks for vulnerable residents	Jul-07	Annual repair checks for all tenants who fall within agreed criteria of vulnerability.					Director of Property Services/Lorenzo Heanue	HFI have re-evaluated the criteria for this scheme and now include those over 80, living alone who have not had a repair request in the last two years (to go alongside visually impaired tenants). Autumn/winter programme - 22 clients have had repair health check YTD.
2.4	Introduce a step change improvement in mechanical & electrical services to customers following the M&E Service Review	Apr-10	Consistency of service (heating) PI target	98%				Director of Property Services/Jonathan Keeney	Staff have now been consulted. Full implementation of structural change programmed for early 2008, however two recent managerial vacancies allow for interim arrangements to be put in place from September.
2.5	Increase service standards in Grounds Maintenance shrubs and gardening performance	Mar-08	Improvement in grounds maintenance specification					Director of Operations Jon Farrant	£50k funding. Target for maximum input for residents. Delivering in Oct/Nov. Consultation needs to be more robust. Negotiations on new contract Jan 09 ongoing. Part of LBI scrutiny review.
<b>Strategic Housing Objective 3: To engage with the community</b>									
3.1	Achieve the Respect Standard for Housing Management	Jul-07	HFI signed up to the Respect Standard for Housing Management and the standard advertised to HFI residents.					Director of Operations John Eustace	17th July sign up and launch. Invite drafted and guest list being arranged.
3.2	Introduce changes specified in the Community Engagement Strategy	Mar-08	Actions set out in the Community Engagement Strategy for completion in 2007-08 fully accomplished.					Head of Performance & Service Development Simon James	Strategy being implemented. Board received update report on action plan progress at 17/12/07 meeting.
3.3	Improve opportunities for involvement for residents not already involved	May-07	Menu of options for differing levels of involvement in place, including a database matrix of residents, recording favoured ways of getting involved and topics of interest					Head of Performance & Service Development Simon James	Completed. Involvement Register now with 500+ participants. IR used for targeted consultation on 6 issues and members invited to residents' conference.

	Actions & Key Milestones	Timescale	Measuring Progress & Success				Lead	Comments	
		End date	Measurable Outcomes	Target	Performance				
				07/08	1st Qtr	2nd Qtr			3rd Qtr
3.4	<b>Implement capacity building in particular for minority communities in relation to the 2007/08 Resident Board Director elections</b>	<b>Oct-07</b>	Minimum of 4 community development events held resulting in an increase in the number of residents standing for election from 8 in 2005 to at least 12 in 2007.					Chief Executive Mike Sims	<p>1) A flyer on Board elections in the residents newsletter was translated into the 6 main languages. The Service Development advertised them with:- - Faith forum - The BME forum - Andover Community Centre as a number of languages use this place - The Disability Action in Islington Office-who will distribute amongst the different groups</p> <p>2) We also sent out a letter with these flyers to a list of 15 community and diversity groups recommended by Service Development.</p> <p>1200 leaflets sent out to diversity and community groups in total</p> <p>3) Service Development has also been advertising the elections as they carry out their timetable of visits to BME groups. Also Age Concern.</p> <p>4) We have a pack to send out to residents which has the 6 languages on the front cover asking to phone for</p>
<b>Strategic Housing Objective 4: To be a first class employer</b>									
<b>Strategic Housing Objective 5: To To embrace partnership</b>									
5.1	<b>Implement the Kier Review recommendations including the co-location of Kier and HFI staff where appropriate to eliminate duplication and improve performance and efficiency.</b>	<b>Jun-07</b>	Getting it right first time PI - 87% (07-08) % Urgent repairs completed in time 99% Ave time taken to complete non-urgent repairs - 7.8 days	70%				Director of Property Services/Bernie O'Connor	16 staff TUPE transferred with function. Day to day repairs/voids. June targets all achieved. New working arrangements commence 13th September. Report on full implementation of review with benefits and efficiencies for 27th September.

	Actions & Key Milestones	Timescale		Measuring Progress & Success				Lead	Comments
		End date	Measurable Outcomes	Target	Performance				
				07/08	1st Qtr	2nd Qtr	3rd Qtr		
5.2	Develop community initiatives by improved partnership working with contractors	Mar-08	At least one community initiative per contract					Director of Property Services/Ferenc Morath	Choice of: Community initiatives (events/days out), Permanent estate improvement (eg new playground), Community centre (non-estate related), Shrubs/greenery
5.3	Implement the sustainability and energy conservation strategy in partnership with the London Borough of Islington		Actions set out in the Sustainability and Energy Conservation strategies for implementation by HFI in 2007-08 successfully completed					Director of Resources	Implementation mechanisms in place. Internal sustainability working group set up.
<b>Strategic Housing Objective 6: To be an evolving organisation</b>									
6.1	Produce a long-term, post Decent Homes plan for HFI including;		HFI long-term plan, 2010-2015, consulted on and in place.					Chief Executive	Away weekend with Board in October 2007 to begin long-term post decent homes planning for HFI strategic direction.
	Developing New Business								
	New Build – increasing the supply of affordable housing in Islington								HFI commissioned by LBI to build mainly larger units of social housing in the next three years with £10m of funding approved by the council's Executive. Planning applications for the first of the sites was heard early in 2008.
	Engaging fully with the local community								Already implementing the Community Engagement strategy with £100k resource. Consulting with residents on their priorities in community engagement.
6.2	Implement the findings of the Customer Access review to improve services in line with the wishes of our customers	Mar-08	Actions set out in the Customer Access service efficiency review final report for implementation by HFI in 2007-08 successfully completed					Director of Operations Jo Knight	PD reported on progress Sept 07, Action Plan being implemented.

Report of	Team	Job Title
David Selo	Chief Executive Directorate	Director of Resources

Name of Meeting	Date of Meeting	Agenda item	Status
Board	25 <sup>th</sup> February 2008	8	Monitoring

**Subject of Report:** Risk register

## 1. Synopsis

- 1.1 This report presents the latest version of the risk register for review by Board.
- 1.2 The register will be reviewed at the Audit Committee meeting of 19<sup>th</sup> February 2008 and any changes reported verbally to this meeting.
- 1.3 The report includes as Appendix A, the current version of the risk register.

## 2. Recommendations

That Board:

- 2.1 Notes the progress on prevention and mitigation of risks as shown in Appendix A to the risk register.
- 2.2 Notes that there is one current high red risk as set out in paragraph 3.7 of the report.
- 2.3 Notes the current medium high risks as detailed in paragraph 3.8 of the report.
- 2.4 Notes the new risks as set out in paragraph 3.9 of the report.

## 3. Update

- 3.1 Board reviews the risk register on a regular basis. Board last reviewed its risks from the risk register at its meeting of 15<sup>th</sup> October 2007.
- 3.2 As result of the implementation of the governance review, the responsibility for the detailed monitoring of the risk register has been delegated to Audit Committee. The risks in Appendix A in this report are those that Board has the responsibility of monitoring.
- 3.3 Meetings have been held with Service Directors to review the risks in their areas. HFI's Senior Management Team as part of the overall risk management process has reviewed the risk register. Reports have been submitted to Sub Boards and Committees on risks under their ownership.

3.4 The risk register contains the following 'coding' to identify updates to risks:

- + = new risk
- # = change in the overall rating of the risk (one proposed in this report)
- \* = update of text i.e. to the 'prevention' or 'progress' columns
- E = risks that have external influences that impact upon them

3.5 Each risk has been colour-coded using the following basis:

- High risks – red
- Medium-high risks – blue
- Medium-low risks – yellow
- Low risks - green

High and Medium-high risks need to be reviewed each quarter, Medium-low risks every six months and low risks are reviewed every nine months.

The risk register, the 'Consequence' and the 'Likelihood' are assessed on a score of between 1 and 4. The two numbers are then multiplied together to produce an 'Overall risk rating'.

The risk matrix							
						Consequence	Likelihood
Likelihood	4					4 = major	4 = very likely
	3					3 = serious	3 = likely
	2					2 = significant	2 = unlikely
	1					1= minor	1= very unlikely
		1	2	3	4		
		Conse quence					

3.6 Where the risk has an overall rating of high, this is shaded in red in the register. Currently, it is considered that the organisation has one item within the overall category of high risk, which is:

- STR 030 E – Failure to secure funding for future new build programme/s

3.7 Where the risk has an overall rating of medium high, they are shaded in blue in the register. Currently, it is considered that the organisation has four medium-high risks, which are:

- STR 016 – Failure to achieve Decent Home Standard by 2010
- STR 023 – Implementing new build on behalf of LBI
- STR 027 – Failure to achieve LBI (Islington Climate Change Partnership) target for reducing CO<sub>2</sub> emissions by 15% by 2010
- FIN 003 – Failure to collect income from major works bills from leaseholders

3.8 There are two new risks included in Appendix A which are:

- STR 030 E – Failure to secure funding for future new build programme/s
- FIN 008 – Failure to have a 3-year financial strategy

3.9 There is one risk (STR 026 - Failure to establish a plan to deal with the withdrawal of funding of (LBI) CRP contribution) that has been deleted since the report presented to Board on 15<sup>th</sup> October this year.

Report Author: Stephen Walsh – Resources Manager  
Telephone: 020 7527 4262  
Email address: [stephen.walsh@homesforislington.org.uk](mailto:stephen.walsh@homesforislington.org.uk)

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub-Board/ Committee)	Risk Owner (Staff)	Progress on actions
<b>Strategic</b>							
STR 001 * Failure of Board and MT to effectively manage risk	M 3	L 2	ML 6	<ul style="list-style-type: none"> <li>Regularly reviewed RMR by Board, Sub-Boards, Committees and SMT.</li> <li>Zurich Municipal carried out a 'health check' of HFI's risk register in June 2006</li> </ul>	Board	E McGoldrick	<ul style="list-style-type: none"> <li>HFI Risk Management policy statement agreed at AC in November 07</li> </ul>
STR 002 * Lack of robust long-term Business Plan and failure to deliver on its aims, objectives and targets	H 3	L 2	ML 6	<ul style="list-style-type: none"> <li>Quarterly monitoring of the current year's business plan objectives by HFI SMT Steering Group and LBI as client</li> <li>Board monitors <b>Business Plan objectives quarterly</b></li> </ul>	Board	S Kwong	<ul style="list-style-type: none"> <li>Draft 2008/13 Business Plan received by Board 17/12/07</li> <li>Updated draft to Board 25/2/08</li> <li>Final draft due for sign off 14/3/08</li> </ul>
STR 003 Failure to ensure systematic challenge of HFI's operations	H 3	L 2	ML 6	<ul style="list-style-type: none"> <li>5-year service review programme ensures efficiency issues are addressed across all of HFI's operations</li> </ul>	Board	S Kwong	<ul style="list-style-type: none"> <li>07/8 Service Review Programme on track</li> </ul>
STR 004 Failure of the Board and Senior Management Team (SMT) to govern and lead effectively <ul style="list-style-type: none"> <li>Lack of strategic direction and expertise within the board</li> <li>Lack of strategic options and information for decision making</li> </ul>	M 3	M 2	ML 6	<ul style="list-style-type: none"> <li>Board Development Sessions for 07/8 agreed and commence in July 07</li> <li>Individual development plans / PDR targets for 07/8 meetings in April and May 07</li> <li>Chair of Board to ensure CE manages the staff team effectively</li> <li>Board only training sessions also attended by CE and other SMT members as required</li> </ul>	Board	E McGoldrick	<ul style="list-style-type: none"> <li>Election and Selection process completed in September 07. One new director elected out of the six who stood for re-election or re-selection</li> </ul>

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub- Board/ Committee)	Risk Owner (Staff)	Progress on actions
STR 005 * Failure to maintain 2 star rating at ALMO re-inspection in November 07	H 3	L 2	ML 6	<ul style="list-style-type: none"> <li>Voluntary Improvement Work (VIW) with Audit Commission Dec 06</li> <li>Main recommendations of VIW fed into the Business Plan and Divisional Continuous Improvement Plans</li> <li>Monitor progress monthly at SMT Steering Group</li> </ul>	Board	E McGoldrick	<ul style="list-style-type: none"> <li>Recommendations from the Voluntary Improvement Work fed into action plan that has been reviewed monthly by SMT, for reporting onwards to Board</li> <li>On-site inspection complete 3/12/07</li> <li>Draft report received 11/1/08</li> <li>Report due for publication early March 08</li> </ul>
STR 008 E * Changes in Government and/or Council policies (including to funding arrangements) resulting in changes in strategic direction	M 3	L 2	ML 6	<ul style="list-style-type: none"> <li>Regular meetings of HFI CE &amp; LBI Asst CE</li> <li>Bi-monthly LBI / HFI partnership meetings</li> <li>Monthly operational liaison meetings for: <ul style="list-style-type: none"> <li>Finance</li> <li>Capital programme</li> <li>Performance</li> <li>Operations</li> </ul> </li> <li>Monitor changes to government policy that may have impact</li> <li>HFI representation on various NFA (National Federation of ALMOs) Working Groups</li> <li>Quarterly reports to Council Executive on performance</li> </ul>	Board	E McGoldrick	<ul style="list-style-type: none"> <li>Housing and Regeneration Bill currently going through parliament</li> <li>Following LBI re-organisation EMcG has regular meetings with S McLaughlin and G Ovshinsky</li> <li>Next joint meeting of HFI Board and LBI Executive due for April 08</li> </ul>

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub- Board/ Committee)	Risk Owner (Staff)	Progress on actions
<p>STR 010 Failure to manage HFI's image and manage tenants' / leaseholders' expectations</p> <ul style="list-style-type: none"> <li>Increased lessee dissatisfaction as a result of Decent Homes programme implementation</li> <li>Failure to recognise in policies and service delivery increased proportion of leaseholders in total stock managed</li> <li>Ineffective communications strategy</li> </ul>	M 3	M 2	ML 6	<ul style="list-style-type: none"> <li>HFI Communications Strategy to incorporate leaseholder issues</li> <li>Ensure annual lessee satisfaction survey questions are designed to address this issue and to produce actions to mitigate dissatisfaction</li> <li>Communications Strategy went to Board in August 2007</li> <li>Board will regularly review communications strategy and other communications issues</li> </ul>	Board	E McGoldrick	<ul style="list-style-type: none"> <li>SMT and Board have reviewed external Communications Strategy and report agreed by Board on 20<sup>th</sup> August 07</li> </ul>
<p>STR 013 * Failure to establish effective procurement and commissioning processes and not follow BV guidelines <b>(including any future external trading arrangements)</b></p>	M 3	M 2	ML 6	<ul style="list-style-type: none"> <li>Procurement Strategy in place</li> </ul>	Board	S Kwong	<ul style="list-style-type: none"> <li>HFI Procurement Team established September 07</li> <li>Board procurement portfolio holder agreed for December 07 for January 08 start</li> </ul>
<p>STR 016 * Failure to achieve Decent Home Standard by 2010, including a lack of effective and appropriate investment in the Housing Stock</p>	H 4	M 2	MH 8	<ul style="list-style-type: none"> <li>Ensure Framework Constructors work with HFI to deliver decent homes in line with partnership arrangements</li> <li>Capital monies from Council are targeted at the Standard</li> <li>Quarterly monitoring by Board through Strategic Performance Management report and by IDC</li> <li>Resource and Stock Condition Review carried out annually</li> </ul>	Board	P Taunton	<ul style="list-style-type: none"> <li>Resource requirements review undertaken Jan 08</li> <li>Revisions to works' scope agreed by IDC</li> <li>Bid for resources for ex-PFI street properties in 2008 to be submitted</li> </ul>

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub- Board/ Committee)	Risk Owner (Staff)	Progress on actions
STR 019 * Failure to implement the 3-year ICT Strategy	M 3	L 2	ML 6	<ul style="list-style-type: none"> <li>SMT Project Board reviewing strategy</li> <li>SMT monitors strategy quarterly</li> <li>ICT Working Group of senior staff and Board directors set up to review current strategy</li> <li>Portfolio holder to monitor delivery</li> </ul>	Board	D Selo	<ul style="list-style-type: none"> <li></li> </ul>
STR 020 * Failure to have adequate insurance cover for HFI's operations	M 3	L 1	L 3	<ul style="list-style-type: none"> <li>Insurance cover in place and policies reviewed annually</li> <li>New policies taken out as and when identified as necessary</li> <li>Procurement process complete for policies for the next three years 2007/8 to 2009/10, with an option for two additional years</li> </ul>	Board	D Selo	<ul style="list-style-type: none"> <li>New Insurance contract in place</li> <li>Insurance training due to take place in Oct 07 and early 2008</li> <li>Meet quarterly with Acumus to review cover and claims</li> <li>08/9 policy renewals in progress</li> </ul>
STR 021 * Failure to implement Kier Review	M 3	L 2	ML 6	<ul style="list-style-type: none"> <li>Kier Steering Group meets monthly</li> <li>Regular liaison over consequences of Review to Kier/HFI management fee</li> </ul>	Board	P Taunton	<ul style="list-style-type: none"> <li>Commercial negotiations complete and awaiting LBI sign-off</li> <li>Fixed price repair initiative implemented autumn 07</li> </ul>
STR 023 E # * Failure to deliver new homes (phase 1) on time, to agreed quality and timescale	H 4	M 2	MH 8	<ul style="list-style-type: none"> <li>Establish effective client and design teams</li> <li>Produce costed scheme acceptable to LBI</li> <li>Establish effective procurement arrangements</li> <li>Establish realistic programme</li> </ul>	Board	P Taunton	<ul style="list-style-type: none"> <li>Design and costing completed and agreed with Council</li> <li>Planning permission obtained for Graham St. (24/01/08) and applied for re Armour Close</li> <li>Partnering team established</li> <li>Tendering process commenced</li> <li>June 08 start on site currently on programme</li> <li>Reduced from High to Medium-High risk through prevention and mitigation measures</li> </ul>
STR 024 * Delivery of the Finsbury Park Neighbourhood Management project	M 2	M 3	ML 6	<ul style="list-style-type: none"> <li>SLA to be signed between HFI and Islington Strategic Partnership Board</li> <li>Monthly meetings of Partnership Group programmed</li> </ul>	Board	E McGoldrick	<ul style="list-style-type: none"> <li>Reports due to HFI Board twice yearly</li> <li>Project started in July 07 and due to run till approx. March 2009</li> <li>Project Co-ordinator appointed</li> </ul>

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub- Board/ Committee)	Risk Owner (Staff)	Progress on actions
STR 027 * Failure to achieve LBI (Islington Climate Change Partnership) target for reducing CO <sub>2</sub> emissions by 15% by 2010	M 3	M 3	MH 9	<ul style="list-style-type: none"> <li>HFI Sustainability Working Group set up in May 07 and monitors HFI Sustainability Action Plan</li> </ul>	Board	P Taunton	<ul style="list-style-type: none"> <li>CO<sub>2</sub> Reduction Plan report to Board Oct. 07</li> <li>HFI to bid for LBI climate change funding to assist meeting LBI CO<sub>2</sub> target of 15% reduction by 2010 to IDC Oct 07</li> <li>SAP information being collated</li> <li>Approx. 3,300 properties to have cavity wall insulation starting from Feb. 08</li> </ul>
STR 030 E + Failure to secure funding for future new build programme/s	H 4	M 3	H 12	<ul style="list-style-type: none"> <li>Secure commitment from HFI Board and Council</li> <li>Establish Governance and management arrangements</li> <li>Recruit Development Manager</li> <li>Address legal and insurance issues</li> <li>Develop strategy and submit bids</li> </ul>	Board	P Taunton	<ul style="list-style-type: none"> <li>Governance and management arrangements agreed with Council 23/01/08</li> <li>Recruitment of Development Manager under way</li> </ul>

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub-Board/Committee)	Risk Owner (Staff)	Progress on actions
<b>Operational</b>							
OPE 006 * Ineffective management of third party relationships	M 3	L 1	L 3	<ul style="list-style-type: none"> <li>Manage ISSCs (Islington Support Services Contracts) through quarterly review meetings</li> <li>Partnership meetings with LBI on a quarterly basis, with LBI as client</li> </ul>	Board	S Kwong	<ul style="list-style-type: none"> <li>ISSCs for 08/9 to be agreed by April 08</li> </ul>
OPE 007 Failure to have a robust ICT infrastructure <ul style="list-style-type: none"> <li>Failure to keep up to date with IT</li> <li>Failure to implement successfully new ICT system</li> <li>Ineffective iWorld Housing Management System</li> </ul>	M 3	L 1	L 3	<ul style="list-style-type: none"> <li>Quarterly monitoring through reports to Director of Resources under the terms of the ISSC with LBI (TSG)</li> </ul>	Board	D Selo	
OPE 008 * Ensure Business Continuity Plan is kept up to date	M 3	M 2	ML 6	<ul style="list-style-type: none"> <li>HFI has systems and contingencies in place to deal with these situations should they arise and to keep them under review</li> <li>HFI working with LBI to develop HFI's contribution to the boroughwide Business Continuity Plan (BCP)</li> <li>Annual review of BCP to keep it up to date</li> </ul>	Board	D Selo	<ul style="list-style-type: none"> <li>Business Continuity Plan signed off by CE December 07</li> </ul>
OPE 009 * Failure to respond effectively to a major disaster in Islington	M 3	L 1	L 3	<ul style="list-style-type: none"> <li>HFI acts in accordance with role defined in Council's emergency plan</li> <li>Review current Plan autumn 2007</li> </ul>	Board	P Taunton	<ul style="list-style-type: none"> <li>To be reviewed with LBI</li> </ul>

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub- Board/ Committee)	Risk Owner (Staff)	Progress on actions
<b>Managing Diversity</b>							
There are no risks under this section of the register for Board to consider							

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub- Board/ Committee)	Risk Owner (Staff)	Progress on actions
<b>Financial</b>							
FIN 003 * Failure to bills and collect income from Major Works bills from leaseholders	M 3	M 3	MH 9	<ul style="list-style-type: none"> <li>Staffing resources in place to pursue non-paying leaseholders</li> </ul>	Board	D Goldring	<ul style="list-style-type: none"> <li>Increase in collection rate in 06/7 compared with 05/6</li> <li>06/7 collection target met</li> <li>Debt raised for 06/7 capital programme will be significant</li> <li>Collection for 07/8 just over target. Processes and resources now in place</li> </ul>
FIN 007 * Risk of inadequate funding for HFI's retained responsibilities under the PF12 contract	M 3	L 1	L 3	<ul style="list-style-type: none"> <li>Monthly monitoring of committed and projected expenditure by both HFI and LBI</li> <li>Discussions opened with LBI regarding ongoing funding</li> </ul>	Board	S Kwong	<ul style="list-style-type: none"> <li>LBI has identified funding to cover risks in 07/8</li> </ul>
FIN 008 + Failure to have a 3-year financial strategy	M 3	L 2	ML 6	<ul style="list-style-type: none"> <li>Work with LBI to agree 3 year HRA financial forecasts</li> <li>Board and SMT to agree arrangements for development of strategy</li> </ul>	Board	D Selo	<ul style="list-style-type: none"> <li>Meetings to be held from Spring 08 to develop</li> </ul>

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub- Board/ Committee)	Risk Owner (Staff)	Progress on actions
<b>Compliance</b>							
COM 001 * Failure to comply with the management agreement <ul style="list-style-type: none"> <li>Council via management agreement serve a notice to terminate the agreement</li> <li>Imprecise management agreement leading to "grey areas" or disputed terms</li> </ul>	L 2	L 1	L 2	<ul style="list-style-type: none"> <li>HFI has robust Performance Indicator, budget monitoring and other systems in place to ensure that it effectively complies with the management agreement</li> <li>Also refer to information in risk STR 008</li> <li>Regular liaison meetings held</li> <li>Governance and LBI Client Team reviewing Management Agreement</li> </ul>	Board	E McGoldrick	<ul style="list-style-type: none"> <li>Governance Team and LBI reviewing wording of Management Agreement prior to comprehensive mid-term. Due to complete by March 08</li> <li>Mid-term review of management agreement due to happen in 2008/09, starting Aug. 08 to conclude early in 2009</li> </ul>
COM 005 * Failure to achieve gas safety standards and to manage the British Gas maintenance contract, or Health and Safety Notice served on HFI	M 3	M 2	ML 6	<ul style="list-style-type: none"> <li>HFI continuing with revised procedures established in 2004/05</li> <li>HFI has implemented a Health &amp; Safety</li> </ul>	Board	P Taunton	<ul style="list-style-type: none"> <li>99.3% achieved in full year 06/7</li> <li>Current 07/8 performance over 99% by Nov. 07, approx. 2% ahead of the same date last year</li> </ul>
COM 006 Failure to ensure staff safety	M 3	L 1	L 3	<ul style="list-style-type: none"> <li>HFI has continued to adopt good practice previously in place from the council and will continue to review this area of the service. Its health and safety policy will supplement this.</li> <li>Employer's liability insurance in place</li> <li>5-star Health &amp; Safety Audit awarded</li> <li>Policies and procedures reviewed regularly</li> </ul>	Board	D Selo	<ul style="list-style-type: none"> <li></li> </ul>

## Deleted risk

Potential Risks	Consequence H/M/L	Likelihood H/M/L	Overall Risk Rating	Prevention & Mitigation	Risk owner (Board/Sub- Board/ Committee)	Risk Owner (Staff)	Progress on actions
STR 026 + Failure to establish a plan to deal with the withdrawal of funding of (LBI) CRP contribution	M 3	L 2	ML 6	<ul style="list-style-type: none"> <li>It is recommended that this is covered under risk STR 008 and so does not to be a separate risk</li> </ul>	Board	P Taunton	<ul style="list-style-type: none"> <li>Delete from report</li> </ul>



Report of	Team	Job Title
Simon Kwong	Chief Executive Directorate	Head of Performance & Service Development

Name of Meeting	Date of Meeting	Agenda item	Status
HFI Board	25 <sup>th</sup> February 2008	9	Monitoring

**Subject of Report:** Efficiency Action Plan Update

**1. Synopsis**

1.1 This report updates Board on progress with HFI's efficiency action plan.

**2. Recommendation**

2.1 That Board notes the progress with the Efficiency Action Plan (Appendix A), which underpins the HFI efficiency strategy.

**3. Background**

3.1 In 2004 HM Treasury commissioned Sir Peter Gershon to lead a public sector efficiency review. The efficiency review was aimed at releasing resources into frontline services and cutting the bureaucracy faced by frontline professionals. Gershon identified local government as one of the areas with scope for efficiency savings.

3.2 The government adopted the recommendations of the Gershon review and these have been translated into a series of efficiency targets for national and local government, including ALMOs. Efficiency and value for money has subsequently become a prime factor in Audit Commission inspections.

3.3 To carry forward the efficiency agenda in HFI, an Efficiency Strategy was developed that was approved by Board in November 2005. Efficiency & Procurement Review Group (EPRG) was established to monitor and drive through the Efficiency Action Plan that sat behind the strategy.

**4. Efficiency Action Plan**

4.1 The Efficiency Strategy is based on the 'excellent' descriptors in the Audit Commission's value for money KLOE (32). It is therefore a description of best practice in cultivating a culture of efficiency and VFM in the organisation.

4.2 At the outset of this project HFI could not show that it met very many of the 24 individual criteria in the plan. Through EPRG, HFI has turned this situation around and either meets or is close to meeting all criteria (see attached plan). Housing Inspectors reported in March 2007 (VIW Inspection), *"For this review we found a balance of strengths and weaknesses in VFM. HFI is committed to improving VFM"*

*at a senior level and has introduced the necessary structures, strategy and action plan. This is leading to a number of initiatives that are improving VFM including efficiency reviews and reviews of services provided by the Council. However costs do not compare well with other ALMOs in London and there are a number of processes where VFM could be improved.”*

4.3 The HFI efficiency action plan sets out the mechanisms by which HFI seeks to continually drive forward further efficiency. These mechanisms in themselves do not mean however that HFI is efficient in all areas. There are clearly areas where HFI services are relatively expensive as shown by cost/performance benchmarking undertaken for HFI by HouseMark. However these mechanisms, primarily service efficiency reviews, will continue to identify further efficiencies over the course of the review programme.

4.4 An update on progress with the efficiency tools set out in the action plan is set out below:

#### **4.5 Service efficiency reviews**

4.6 The services we provide are subject to continuous change as we strive to make them more effective and meet changing customer demand. However development in that kind of incremental way can lead to unintentional inefficiencies and may not be done with a comprehensive overview of the service. Without a periodic comprehensive review it is difficult to ensure that services remain efficient and value for money.

4.7 A key component of HFI’s efficiency strategy is a programme of service reviews that over a five-year period will cover all its activities; both services provided to customers and internal support services. The programme was prioritised, using a risk matrix, to ensure higher risk services were reviewed earlier in the programme

4.8 Each review is conducted by a small team, with external challenge provided by HFI’s Service Review Panel. This is chaired by the Chief Executive and includes the Director of Resources and the Head of Performance & Service Development as well as Board Directors. Reviews look at performance and costs using benchmark information, either already available or procured specifically for the review.

4.9 Reviews conducted in the first year of the programme were:

- Customer Access
- Antisocial behaviour
- Mechanical & Electrical – Design and Planned Maintenance
- Payment processes
- Facilities Management

4.10 The 2007/08 programme is:

<b>Division</b>	<b>Review</b>	<b>Status</b>
Resources	Finance (HRA Management) jointly with LBI	Ongoing
Operations	Income recovery	Completed

Performance & Service Development	Translation and interpretation	Completed
Property Services	Recharge policy	Subsumed into wider repairs policy review
Resources	HR Processes	Ongoing
Operations	Estate Services	Ongoing
Property Services	Legal Repair	Subsumed into wider review of Legal Services
Operations	Reception Centres	Not yet commenced

#### 4.11 Islington Support Service Contracts

4.12 HFI continues to purchase a number of services from the London Borough of Islington. The specification of service quality and volume and the contract costs for these services are set out in five Islington Support Service Contracts (ISSCs). The services described in the ISSCs are collated to mirror the four council departments from whom these services are procured. They are currently:

- Legal Services
- Environment and regeneration
- Finance
- Customer focus

4.13 Since the 2007-08 SSCs were signed the Council has re-structured its departments. From next financial year an SSC with Corporate Resources will replace that of Legal Services and the services set out under Customer Focus will be moved to the relevant SSC.

4.14 The contract terms are all for one year at a time and the contracts require renewal at the beginning of each financial year. EPRG oversees the re-negotiation of these annual contracts and monitors savings and efficiencies that accrue.

4.15 The rigorous system of monitoring and review of these SSCs have brought about considerable efficiencies since 2004. These include:

- Large reductions in costs in the Legal Services contract, including a reduction of £600k in 2006/07.
- Alternative payment methods to residents resulting in withdrawal of cash services at the MO saving £50k
- Ending the Highways Maintenance contract saving £51k
- Withdrawal of caretaker OOH service saving £20k

#### 4.16 Unit costs

4.17 The Audit Commission's KLOE 32 (VFM) requires of an excellent service provider that they acquire a wide range of clear and accurate information on overall service cost and on unit costs. That they compare service and unit costs with others and systematically use information to review cost effectiveness. This enables a well ordered organisation to tackle high spending early.

- 4.18 HFI is a member of HouseMark. Their benchmarking service provides a breakdown of costs and resources involved in managing the housing management and maintenance functions.
- 4.19 HFI therefore had the information of the cost of core functions but more defined unit cost information was generally lacking. This failed the measure outlined above in KLOE 32 for an excellent service provider.
- 4.20 HFI has therefore developed a consistent and robust methodology for calculating unit costs that takes into account support service costs (such as IT support, HR etc.), appropriate SSC costs and building costs. These are apportioned pro rata to the individual engaged in the activity for which the unit cost is being calculated.
- 4.21 HouseMark have asked HFI if this methodology can be disseminated nationwide for benchmarking purposes following widespread expressions of interest from HouseMark members, and this has been put in place for 2008.

#### **4.22 Evaluation reports**

- 4.23 The Audit Commission regarded it a weakness in HFI that service improvements were not consistently evaluated at a later date to see that objectives and efficiencies were achieved.
- 4.24 EPRG therefore developed a schedule of evaluation reports for 2006/07 and 2007/08. Service Directors are then in a position to make informed decisions on carrying forward or amending earlier changes. This meets objective 18c in HFI's Efficiency Action Plan, which is to, "Evaluate effectiveness of service improvements".
- 4.25 Service Development team undertook the following evaluations in 2006/07:
- Tenancy Liaison Officer pilot
  - Professional Witness Scheme
  - Independent Advice projects
  - Camden mediation services
  - ABC+ scheme
  - Access to sports programme
  - ASB response survey

4.26 It should be noted that further evaluations took place as part of service efficiency reviews.

4.27 The schedule of evaluation reports for 2007-08 is as follows:

#### **Operations**

- Tenant Reward Schemes  
Implementation of IT flags procedure
- HB notes web-site subscription
- Income maximisation pilot (HW AHO)
- Welfare Advice Service overall (inc. Housing Support Officers)
- Crime Prevention Packs

- Scottish & Southern utilities pilot
- Noise recording machines

### **Resources**

- Evaluation of FTA IT changes

### **Property Services**

- Health checks on vulnerable tenants
- Consultation arrangements for the Capital Programme
- OTIS lift contract – asset management approach

## **5. Conclusion**

- 5.1 HFI still has more progress to make in ensuring VFM across the range of functions, both frontline and support services. However the framework of the Efficiency Strategy and action plan, managed via EPRG is firmly in place and delivering robust results.

Report Author: Paul Davey, Strategy and Procurement Manager  
Telephone: 0207 527 4018  
Email: paul.davey@homesforislington.org.uk

## Homes for Islington Efficiency Action Plan 2005/08

Updated Nov 2007

The objectives are derived from the Audit Commission's judgement of what would constitute an excellent, three star, service in its Value for Money Key Line of Enquiry (KLOE) 32.

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
<b>1a</b> Acquire a wide range of clear and accurate information on overall service cost	Maintain membership of Housemark and participate fully in its national ALMO and London boroughs benchmarking clubs	Attendance at meetings and minutes of meetings	Member since November 2004. Ongoing	Simon Kwong	We are currently satisfying this requirement through benchmarking overall service costs via HouseMark
<b>1b</b> Acquire a wide range of clear and accurate information on unit costs	Develop unit cost calculation methodology. Draft programme if key unit costs and timescale for calculation.	Unit cost information emerging through service efficiency reviews. See Customer Access review and Invoice Payment review final reports.	31.03.07	Simon Kwong	HFI has developed a robust methodology for the calculation of unit costs which is being employed in service efficiency reviews. A programme of unit cost calculations has been completed in 2007.
	Provide full range of data to the Housemark quarterly PI tracking website.	Data entered for every quarter for all possible PIs.	Data provided within 6 weeks of the end of each quarter	Simon Kwong	2006 benchmarking data received in Sept 2006. Used to re-configure service efficiency review programme.  Data for 2007 provided to HouseMark
<b>2a.</b> Compare service and unit costs with others. Systematically use information to review cost effectiveness	Participate in cost and PI benchmarking; participate in Housemark benchmarking clubs.  Employ unit cost calculation methodology to benchmark with others.	Benchmarking reports.	Ongoing from September 2005.	Simon Kwong	HFI comparing service costs through HouseMark.  Compiling unit costs data and will Seek to form unit cost benchmarking club through HouseMark.

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
	Establish and/or participate in benchmarking of other activities that are not part of the Housemark service as part of service review programme	Benchmarking reports.	Ongoing from April 2006.	Simon Kwong	Considerable amount of benchmarking has taken place in both completed service efficiency reviews.
	Use the results of benchmarking to inform decisions on scope for future efficiency improvements and the service review process.	Reports and minutes of EPRG, Management Team and Board. Data included in service reviews. Completed Service Efficiency review reports.	Ongoing from April 2006.	Simon Kwong	Service review programme 2007/08 agreed by EPRG. Programme informed by HouseMark report 2006.
<b>2b.</b> Identify and tackle high spending early.	Identify areas of high spending using service efficiency reviews and HouseMark annual report.		Ongoing from April 2006	Simon Kwong	HouseMark benchmark report used to identify high spending areas. Review recommendations providing efficiencies in service areas
<b>3.</b> Ensure resources follow policy decisions and national and organisational priorities.	Resource allocation included in business planning and used to determine local budgets. Annual business planning process will include an assessment of HFI's strategic aims and policies and national and council priorities.	Reports to Board on business plan and finances.  Annual business plan to identify resources.	September to January annually for the following financial year	Simon Kwong	HFI Business Plan 2006/07 approved by Board 06/02/06.  Proposals in business plan 2007/08 aligned to resource planning and informed by resident priorities.

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
<b>4a.</b> Ensure areas of higher spending are in line with service priorities.	Spending opportunities to be decided in business planning process with cost implications contained in report to Board when deciding the annual business plan.	Reports to Board.	September to January annually for the following financial year	Simon Kwong	HFI Business Plan 2006/07 approved by Board 06/02/06  BP objectives are checked against budgets and other forms of funding before approval.  ASB continuing to receive ring-fenced funding due to high priority
<b>4b.</b> Ensure full cost implications are assessed in spend decision-making	Full information on revenue implications and financial forecasts are included in reports with spend implications.	Reports to Board. Reports to MT	Ongoing	Simon Kwong	Agreed that reports to Board, Sub-boards, committees and management team should have the following sub-heads under Financial Implications  <ul style="list-style-type: none"> <li>• Capital implications</li> <li>• Revenue implications</li> <li>• Efficiency implications</li> <li>• Risk</li> </ul>
<b>4c.</b> Ensure spend decision-making process fully incorporates customer and stakeholder involvement.	Resident's conference on BP proposals.  Customer participation in service reviews	BP process timetable.  Residents' Conference minutes and results	September 2006 Ongoing	Simon Kwong	Consultative panels incorporated into spend decisions at high and local levels.  Residents' Conference held in Sept 2006. Good results and high satisfaction rating from participants.

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
<p>5. Service users and stakeholders are proactively involved at all stages of efficiency and procurement.</p>	<p>A full range of consultation measures to inform and involve residents in efficiency and procurement decisions including:</p> <ul style="list-style-type: none"> <li>o Annual business plan residents' seminar</li> <li>o Reports to consultative panels requesting feedback</li> <li>o Involvement in service efficiency reviews</li> <li>o Quarterly residents newsletters</li> <li>o Articles in quarterly staff newsletter</li> <li>o Liaison with trade unions</li> <li>o Customer feedback initiatives</li> <li>o Customer satisfaction surveys on major works feeding into procurement decisions</li> <li>o Board involvement in procurement decisions</li> </ul>	<p>Residents' Conference feedback</p> <p>Kwest consultation reports following major works</p> <p>Service review reports</p> <p>Newsletters</p>	<p>Ongoing</p>	<p>Simon Kwong, John Phillips, David Selo, Doug Goldring</p>	<p>We are currently satisfying this requirement</p> <p>Business plan residents' seminar held September 2006</p> <p>Report to November 06 consultative panels on 07/08 business plan requesting feedback on proposals</p> <p>Completed service reviews show involvement of customer consultation in recommendations.</p> <p>Kwest satisfaction surveys following major works part of decision making process on new works contracts.</p>
<p>6. Capital spending decisions taken with full information on revenue implications and financial forecast of their longer-term impact.</p>	<p>Full information on revenue implications and financial forecasts are included in reports to Investment and Delivery Committee.</p>	<p>Reports to Investment and Delivery Committee</p>	<p>Monthly</p>	<p>John Phillips</p>	<p>Finance Committee provided with an annual report on spend and any revenue implications on that years upcoming programme. September 2007 meeting (Peter Taunton)</p>

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
<b>7.</b> Capital programme completed on time and within budget	Capital programme spend monitored regularly by HFI Board and Investment & Delivery Committee.	Reports to Board and Investment and Delivery Committee showing progress	Monthly	John Phillips	We are currently satisfying this requirement
<b>9a.</b> Procurement decisions are taken on an objective basis using a transparent procurement framework	Develop and implement HFI procurement strategy and procedures.	HFI Procurement strategy produced Nov 2005.  HFI procurement Strategy reviewed Nov 2006	November 2006	Simon Kwong	We are currently satisfying this requirement  Procurement Strategy approved by Board November 2005.  Review report to Nov meeting of EPWG We are currently satisfying this requirement
<b>9b.</b> Procurement decisions explore partnering and procurement framework opportunities.	All procurements to follow HFI's procurement strategy and code and explore the full range of procurement opportunities available. Procurements to be documented to show options appraisals and a full audit trail.	Procurement records for each procurement. Reports and minutes of meetings.	Ongoing	Simon Kwong, John Phillips, David Selo, Doug Goldring	All construction and repairs contracts, when renewed, become partnering contracts, eg <ul style="list-style-type: none"> <li>• Framework</li> <li>• M&amp;E partners</li> <li>• Lifts (South)</li> <li>• Communal heating</li> <li>• Gas (N&amp;S)</li> </ul> Partnering contracts account for 95% of spend

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
10. Innovative contract packaging arrangements and robust exploration of what the market can deliver.	Prepare a programme to review the supply of all commodity goods and services over a five-year period from 2005.	Review programme and audit trail of reviews and procurements	Five year review programme beginning 2005/06	David Selo	We are currently satisfying this requirement  Examples are: <ul style="list-style-type: none"> <li>• Mailing contract</li> <li>• Gas (South)</li> <li>• MFD suppliers</li> </ul>
11. VFM and procurement principles are fully embedded within core service aims.	Develop and implement HFI Efficiency strategy	Efficiency strategy adopted by Board	November 2005	Simon Kwong	We are currently satisfying this requirement  Efficiency strategy approved by Board Nov 2006
	Efficiency implications required in all management and board reports for decision.	Reports to board and management team	From November	Simon Kwong	Financial implications included in all decision reports - efficiency implications included in these where appropriate
	Efficiency targets set into annual business planning process.	Business plan	Annually in December.	Simon Kwong	HFI Business Plan 2006/07 contains efficiency implications
	Procurement strategies developed and implemented	Procurement Strategy and Code	November 2005	Simon Kwong	Procurement Strategy approved by Board November 2005
12. Staff, board, customers, other stakeholders share and are aware of the commitment to achieve value for money (VFM)	Training for Board members	Training notes of Board Away Weekend	14/10/05 and ongoing	Simon Kwong	We are currently satisfying this requirement  Training session held at away weekend 14/10/05
	Briefing for staff	Briefing notes and Managers Seminar Oct 06	November 2005	Simon Kwong	Briefings for staff held at managers' conference 18/10/05 and 24/10/06
	Efficiency strategy on website and intranet	Intranet	November 2005	Simon Kwong	Efficiency strategy and related documents on intranet 08/12/05. On website Jan 2006

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
	Efficiencies suggestions scheme for staff	Responses from staff	Oct 2006	Simon Kwong	Article in Oct Staff Newsletter eliciting suggestions on efficiency from staff
<b>13a.</b> There are clear policies and effective processes for improving VFM.	Develop and implement efficiency strategy and action plan.	Efficiency strategy agreed by Board.	November 2005	Simon Kwong	We are currently satisfying this requirement
<b>13b.</b> The scope for improving cost-effectiveness is kept under review.	Develop a five-year service review programme covering all service areas.  EPWG permanent group, chaired by HFI CE, set up to ensure delivery of the efficiency agenda within HFI	Completed service review final reports.  Minutes of EPWG monthly meetings	31/01/06	Simon Kwong	Efficiency strategy approved by Board Nov 2005 and subject to review Nov 2006 We are currently satisfying this requirement  Service review programme 2006-11 agreed by Efficiency and Procurement Working Group 10/01/06.  Customer Access and payment process reviews completed and being actioned. Reviews of ASB, facilities management and M&E currently underway.
<b>14.</b> Ambitious targets set to improve VFM	Exceed government and council targets each year for efficiency gains.	Targets consistently met or exceeded.	Annually	Simon Kwong	We are currently satisfying this requirement  HFI's forward look for 2005/06 forecast efficiency gains of £3.403m. The AES backward look confirmed that £3.302m efficiency gains were achieved.

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
15. Consistently generate surpluses through improving VFM and reinvest these	As part of annual business plan process, develop and agree with the council plans to reinvest cashable efficiency gains for service improvement.	Business plan	Annually	Simon Kwong	We are currently satisfying this requirement  HFI Business Plan 2006/07 approved by Board 06/02/06.  Ongoing dialogue with LBI on target areas for investment of savings/additional funds  Gas South tender realised £4m efficiency over 5 years. Re-investing £0.5m pa on renewing gas boilers.
16. Work with existing and potential partners and providers to compare and evaluate processes, costs and outcomes and improve VFM.	All contracts and service level agreements contain provision for periodic review to improve value for money.	Contract documentation includes provision for periodic best value review	Ongoing	Simon Kwong, John Phillips, David Selo, Doug Goldring	<ul style="list-style-type: none"> <li>• Annual review of all contracts let</li> <li>• Annual review of BP objectives achievement</li> <li>• Annual review of last AES</li> <li>• Kier Review implementation delivering high level of efficiencies.</li> </ul>
17. Clearly resourced plans to achieve delivery of key priorities including decent homes and sustainable communities	Funding to achieve decent home requirements achieved through ALMO funding, private finance initiative and limited stock transfers.	Capital programme 2005 – 2010  Community Engagement Strategy to Dec 06 Board.	Ongoing	John Phillips	Full spend on decent homes in 2005-06.  £170k funding for community engagement strategy agreed for 2007/08
18a. Evaluate effectiveness of procurement.	Contract reviews built into specification.  ISSC review meetings.  CAU reviews.		Annually or as otherwise specified in contract	Simon Kwong	Partnering contracts have ongoing assessments of contract performance written into them.  Kier review implemented.

Objective	Activity	Evidence	Target Date	Lead Officer	Comment
<b>18b.</b> Evaluate effectiveness of efficiency gains	Annual evaluation of efficiency and service improvement outcomes. Evidence of improvements in services or facilities demonstrated by satisfaction surveys, performance information and cost comparisons.	Annual backward look of AES.  Efficiency improvements made to services through service reviews will be evaluated.	Annually	Simon Kwong	HFI produces an annual AES, which includes a backward look at efficiencies achieved in the previous year. The AES is reported to HFI's Board and quarterly to LBI.
<b>18c.</b> Evaluate effectiveness of service improvements	Monthly performance monitoring by MT. Strategic performance monitoring by Board Benchmarking with other providers against performance and cost	MT Performance report Board reports HouseMark benchmarking reports	Annually	Simon Kwong	Annual tenant satisfaction surveys. Marked improvement in satisfaction levels noted in Aug 06 MORI tenants satisfaction survey.  Formal evaluation of service improvements to be undertaken following development of template evaluation considered by SMT in Aug 2006.

Report of	Team	Job Title
Eamon McGoldrick	Chief Executive Directorate	Chief Executive

Name of Meeting	Date of Meeting	Agenda item	Status
HFI Board	25 <sup>th</sup> February 2008	10	Monitoring

**Subject of Report:** Performance - Financial and Capital Programme Management

1. **Synopsis**

- 1.1 This report provides the Board with a strategic overview of company finance, capital programming for 2007/8 and progress on Decent Homes targets.

2. **Recommendations**

- 2.1 That Board:

- 2.1.1 Notes the Financial Management report.  
2.1.2 Notes the Capital Programme report.

3. **Background**

- 3.1 The Board receives this regular monitoring report every quarter to update on the headline figures concerning financial and capital performance.

4. **FINANCIAL MANAGEMENT**

4.1 **Managing Agent Account (MAA)**

4.1.1 **Background**

Islington Council pays HFI a management fee that is funded primarily from the Council's Housing Revenue Account and Housing Capital Programme. HFI incurs expenditure in its own name. HFI has named this account the Managing Agent Account.

4.1.2 **Financial Management Report – Month 9 Report**

Management Fee: **£54.5m**

Month 9 Forecast: **£461k surplus**

- 4.1.3 The Month 9 forecast represents the ¾-year monitoring report for 2007/08. The forecast surplus of £461k arises due to robust financial management and the 2007/08 Pay Award being settled at an amount less than budgeted for.

- 4.1.4 HFI SMT will be meeting with LBI with a view to securing an agreement whereby a 'specified' amount of any 2007/08 budget surplus can be 'rolled forward' into 2008/09. Any update on this matter will be reported verbally at the meeting.

#### 4.1.5 Business Risk

The Month 9 forecast underspend of £461k indicates there are no envisaged business risks at this point in time.

### 4.2 Client Services Account (CSA)

#### 4.2.1 Background

There are a number of budgets (the Kier Islington repairs contract being the largest) where contracts remain in the name of Islington Council and HFI manages the expenditure on behalf of the Council. The spending is accounted for within Islington Council's accounts. HFI has named this account the Client Services Account.

#### 4.2.2 Financial Management Report – Month 9 Report

CSA Expenditure Budget **£135.1m**

Month 9 Forecast **£135.2m**

**£0.1m Overspend**

#### Reason for Variance:

4.2.3 The £0.1m forecast overspend is primarily attributable to Community Centres (£65k) and TV Aerials (£17k). The overspend on Community Centres arises from LBI limiting the funding availability of Discretionary Rate Relief for community groups. The TV Aerials forecast overspend arises from an increase in chargeable 'ad-hoc' repairs, i.e. repairs falling outside of the Contract.

4.2.4 The CSA budget also includes the £24.3 m Repair and Maintenance (R&M) budget delegated to HFI to manage. Earlier in the financial year it was recognised that spending may exceed the CSA budget allocation. Following detailed meetings with LBI, robust measures to mitigate the risk and ensure the budget does not exceed CSA budget allocation were implemented. It is now anticipated that the Repairs Budget will come in on target although officers continue to closely scrutinise and monitor this budget area.

### 5. Capital Programme and Decent Homes

#### 5.1 Capital Programme– Month 9 (Qtr 2 2007-8)

5.1.1 Islington Council has given responsibility to HFI for the management of its housing capital resources programme and the delivery of its Decent Homes programme.

The funding covers the works and associated fees.

Target Spend (07/08):	<b>£90.030m</b>
Projected Spend (07/08):	<b>£90.030m</b>
Total spend:	<b>£49.366m</b>
Projected spend (month 9):	<b>£45.205m</b>
Variance:	<b>(+)£4.161m</b>

### 5.1.2 Reason for variance:

The major reason for the spend exceeding profile is due to the Framework contracts having their certificates being paid more promptly than allowed for within the monthly profiles. In these circumstances it is not an indication of overspending but just spending ahead of profile.

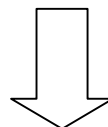
### 5.1.3 Business risk:

Savings being identified on the 2005/6-06/7 Framework contracts are continuing to be generated and are unlikely to be fully offset by bringing forward the 2007/8/9 Framework contract start dates where s20 consultation is not required. Therefore there is a risk, due to the low level of over-programming and any small slippage in other areas of the programme, that the £90.030m will not be able to be achieved. This position is being reviewed on a fortnightly basis by the Director of Property Services in liaison with the Council.

## 5.2 DELIVERY OF DECENT HOMES

5.2.1 HFI is delivering on its Decent Homes programme in accordance with the plan set out in the Section 27 application to DCLG. The timetable for implementation was:

% homes meeting Decent Homes standard							
	2004/5	2005/6	2006/7	2007/8	2008/9	2009/10	2010/11
Original s.27 projection		42	50	60	75	95	100
<b>Actual/(projected)</b>	<b>45</b>	<b>51</b>	<b>55</b>	(60)	(75)	(95)	(100)



	Year 2007/8			
Q1 (actual)	Q2 (actual)	Q3 (actual)	Q4 (Est)	
56	57	58	60	
14820	14902	15225	15501	

Report Author: Eamon McGoldrick, Chief Executive  
Telephone: 020 7527 4062  
Email address: eamon.mcgoldrick@homesforslinton.org.uk



Report of		Team	Job Title
Simon Kwong		Chief Executive Directorate	Head of Performance & Service Development
Name of Meeting	Date of Meeting	Agenda item	Status
Board Meeting	25 <sup>th</sup> February 2008	11	Information

**Subject of Report:** Neighbourhood Management Update

**1 Synopsis**

1.1 To update Members on the progress of neighbourhood management scheme's in the Borough and to monitor HFI's contributions to these projects.

**2 Recommendation**

2.1 That Directors note the progress outlined in the report.

**3 Background**

3.1 Islington Strategic Partnership (ISP) is an alliance of stakeholders from all sectors including statutory, voluntary, community and business sectors and was formed to enhance the quality of life of local people by improving the co-ordination and delivery of area based services and effectively targeting resources where they are needed. HFI is represented on the ISP Board which sets the strategic direction of the partnership.

3.2 Sitting under the Board are five theme groups whose purpose is to deliver to the overall aims agreed by the ISP as well as influencing and contributing to the overall direction of the partnership. This report relates to the decision by the ISP to fund and promote a Neighbourhood Management approach through the Neighbourhood Element Funding with the subsequent setting up of 8 locally based projects to be managed by lead agencies within the area.

3.3 Central to the success of this Neighbourhood Management approach is the ability of Lead Agencies to join up and "bend" local service provision so that it is working more effectively for the needs of local people. HFI, as the largest manager of social housing stock in the Borough is playing a role in a number of these projects.

3.4 In particular, HFI has agreed to share the lead agency role in Finsbury Park with Fin-futures an agency formed to carry out the succession strategy of the Finsbury Park SRB, a large regeneration project that finished in 2005.

3.5 This report details the progress being made in Finsbury Park as well as the other area's where HFI is participating.

**4 Key Issues for the ISP**

4.1 The main issues for the ISP in the last year have been as follows;

- The setting up of eight Neighbourhood Management projects has in itself taken time, the timescales needed in drawing together area partnerships and developing resident lead action plans was not factored in when planning expenditure by the Lead Agencies. Hence, there is a considerable under-spend on this year's budget with few

outputs achieved. However, the partnerships are now in place and with progress in all areas.

- The Government has recently revised the National Deprivation Indices, the system that assesses and ranks local need and determines distribution of grant nationally. Under the latest assessment, Islington has dropped in the national ranking to the 8<sup>th</sup> poorest borough meaning there will be a reduction in the overall level of grant of up to 2 million. It has not yet been determined how this will affect individual projects.

## **5 Progress of Individual Projects**

**5.1 Finsbury Park**-The Neighbourhood Management Board is now established and chaired by Cllr Phil Kelly. The Board membership has recently been augmented to include two residents and a local youth worker and meets monthly. A Neighbourhood Co-ordinator (seconded from HFI) has recently been appointed working from the Fin-Future office on Seven Sisters Road and is currently meeting key stakeholders in the area. Proposed projects identified for the area are as follows;

- The holding of an Open/Fun day in May. This will be used as an opportunity to consult with the local community as to what they see as the priorities in the area.
- The issue of Youth provision –The Board is examining strategies for young people in the area. In the long term it is to explore an option of using the old YMCA building on Lennox Road whilst it is also involved in the re-opening of a youth facility on the Andover Estate. In addition, it will also seek to develop an approach towards hard to reach young people in the area some of whom have dropped out of the system.
- An Environmental Audit of the area took place on the 11<sup>th</sup> February with Cleansing and an action plan to clean up streets such as Isledon Road, Medina Road and Birnam Road is underway.
- Community Safety-The group is considering options for tackling widely held perceptions in the community about crime and anti social behaviour. This includes small practical measures such as the moving of CCTV camera's to more effective settings to wider issues such as the effect that criminality on Blackstock Road is having in the area.
- The adverse impact of personal debt combined with the activities of loan sharks within such a deprived area is also highlighted as a priority and work is planned with the newly formed borough-wide credit union.

**5.2 Mildmay**-HFI plays a role in this partnership which is engaged in the following;

- A Community Conference is to be held in early 2008 to assess the key concerns for residents
- An audit of community space is underway to ascertain what is available locally
- A texting message service that targets the young is being piloted with the view of developing it as a communication tool with the young
- A project about the environment and the effectiveness of borough cleansing services is taking place

**5.3 New River Green**-Cripplegate Foundation are leading this project and are working with HFI and RSL's in the area. HFI has jointly funded a newsletter that has been sent

to all homes in the area. New River Green is the most advanced area at present with established theme groups and action plan

- 5.4 Packington-Hyde Plus** who are the lead agency in this area have recently appointed a Neighbourhood Manager to take this project forward. Priorities here will centre around managing the community affects of the coming infra-structural change brought about by the demolition of the Packington Estate.
- 5.5 South Barnsbury**-Again, this project led by Newlon HA is at an early stage. Currently, a community consultation and mapping exercise is taking place.
- 5.6 Bemerton**-This project has also attracted funding from the Housing Corporation who are funding a Neighbourhood Options study. Concentration has been given to environmental improvements and “opening up” the walkways through the Estate and to tackling the skills gap and worklessness that is prevalent on Bemerton. A job fair was held on the estate at the end of January.
- 5.7 Ringcross**-Led by Circle Anglia this project is at an early stage having completed a residents consultation exercise to assess priorities recently. Youth, open spaces and poor lighting are seen as of importance by residents.
- 5.8 Market**- The partnership is working with a local school to improve healthy eating and improve on literacy through a Free School Meals Scheme and Book reading project.

Report author: Simon James, Service Development Manager  
Telephone: 020 7527 4115  
E-mail: [simon.james@homesforislington.org.uk](mailto:simon.james@homesforislington.org.uk)



Report of	Team	Job Title
Peter Taunton	Chief Executive Directorate	Interim Director of Property Services

Name of Meeting	Date of Meeting	Agenda item	Status
Board	25 February 2008	12	Information

## **Subject of Report:** Newbuild Programme

### **1. Synopsis**

- 1.1 HFI has progressed Phase 1 of the newbuild programme in accordance with the initial programme, but has eliminated one scheme (Graham Street) on grounds of cost. Procurement arrangements have been agreed and the procurement process is under way. A revised programme is shown at Appendix 1.

### **2. Recommendation**

- 2.1 That Board notes this report.

### **3. Background**

- 3.1 The report to the October Board meeting advised that Planning applications were to be submitted for three schemes – Boleyn Road, Armour Close and Graham Street.
- 3.2 A further report to the January 2008 Finance Committee examined the cost of each scheme and attempted to secure agreement for some value for money/ financial viability criteria which could be applied across the programme. The Finance Committee decided that more work was needed before it was willing to agree HFI's financial criteria. It noted that, on the criterion of 'construction cost per bedspace' Boleyn Road and Armour Close appeared to be broadly in line with the schemes procured through Housing Associations, while Graham Street was substantially more expensive and did not represent good value for money.
- 3.3 The Finance Committee noted that, as a result, HFI would not be progressing the Graham Street scheme within phase 1, which would now comprise Boleyn Road and Armour Close, providing a total of 14 homes.
- 3.4 The planning application for Graham Street was withdrawn. Boleyn Road was approved on January 24<sup>th</sup> while the Armour Close application has been deferred until March. This deferral should not affect the programme providing planning permission is granted.

### **4. Procurement**

- 4.1 Phase 1 will be procured through HFI's existing Framework constructors. They all have a good working relationship with HFI and all are active in newbuild. Six have indicated that they are keen to be involved in HFI's newbuild programme.
- 4.2 One of the issues for consideration, in the future, will be the approach to contractor selection. This could be on a programme or individual project basis and it will be important to match the type and size of the contractor to the nature and scale of the programme.
- 4.3 The demolition contract for Boleyn Road which is due to finish on 7<sup>th</sup> March 2008 is being undertaken by Erith, who were awarded this contract on the basis of the contract that they had tendered for and were awarded for the demolition of Churnfield. The rates used represented value for money and this is in accordance with HFI's procurement code.

## **5. Form of contract**

- 5.1 Detailed consideration has been given to the type of contract which is most likely to achieve HFI's and the Council's objectives with regard to cost, quality and delivery on time. A PPC2000 partnering contract, with two-stage tendering, is proposed. The constructors will be invited to submit indicative costings, based on the planning drawings, a range of design and specification requirements and a schedule of rates. A partner will be selected from this process and design work will then be completed on a joint basis, culminating in an agreed scheme and Agreed Maximum Price (AMP).

## **6. Management arrangements**

- 6.1 Discussions have taken place with the Council with regard to the way HFI's development role could evolve in the future. It is highly unlikely that this will involve a continuation of direct capital funding from the Council so HFI will need to attract alternative sources of funding – e.g. Housing Corporation grant or receipts from S.106 ('planning gain').
- 6.2 This more pro-active development role requires a range of skills which do not currently exist within HFI and which will not, realistically, be acquired, within the required timescale, by staff working across a range of projects within Property Services.
- 6.3 It is proposed, therefore, to include a Development Manager post, at a senior level, within the Property Services structure. An interim manager is being recruited to move the process forward prior to finalising and reporting on the new structure.

## **7. Governance of the newbuild programme**

- 7.1 Newbuild provision, in the future, will be more complex than that to date, involving the possibility of options such as HFI applying for funding from the Housing Corporation and other agencies, purchasing land and owning property, undertaking redevelopment and mixed tenure schemes and entering into partnerships with developers.

- 7.2 These approaches offer new opportunities for HFI but also new risks. They clearly raise strategic issues for HFI which are matters for the Board, which will receive a report on this subject at its meeting of April 2008.
- 7.3 The governance arrangements will need to ensure that approvals can be given without delays, which could hamper the delivery of the programme. This is an immediate issue with phase 1 of the programme, as HFI will need to approve the selection of its development partner and an AMP as soon as the necessary information is available to make those decisions.
- 7.4 Until the meeting in April 2008, when more information should be known, it is proposed that the existing governance arrangements can be used in respect to new build. The terms of reference of IDC, in particular to “**monitor, and where appropriate review, arrangements with respect to achieving effective and sustainable asset management**” mean that in the short term IDC can monitor and implement the delivery of new build. In addition the existing scheme of financial delegations allows IDC or the Chief Executive to agree tender approvals as appropriate.

Report Author: Peter Taunton, Interim Director of Property Services  
Email: peter.taunton@homesforislington.org.uk  
Telephone: 020 7527 2327

# New Build Housing Projects Phase 1 - Project Partnering Timetable

Rev F February 08

				Jan				Feb				March				April				May				June				July						
		24	31	7	14	21	28	4	11	18	25	3	10	17	24	31	7	14	21	28	5	12	19	26	2	9	16	23	30	7	14	21		
	duration																																	
1	Full Planning Application	10 weeks																																
2	Partnering Advisor Appointment	2 weeks																																
3	Prepare project brief, schedule rates	3 weeks																																
4	1st stage tender	6 weeks																																
5	QS Analysis of 1st stage tender/Cost check																																	
6	Interviews-prepare tender report for IDC																																	
7	IDC Approval																																	
8	Appointment & Partnering Agreement	3 weeks																																
9	Working Drawings & Specification	11 weeks																																
10	Cost check 3 at receipt of tender	1 week																																
11	Demolition Site Operations (Boleyn Rd)	8 weeks																																
12	Building Regulations Submission	5 weeks																																
13	HFI BoQ	2 weeks																																
14	AMP packages finalised	8 weeks																																
15	AMP Report	1 week																																
16	HIT Approval of TAR	1 week																																
17	Report to IDC	1 week																																
18	IDC Approval	1 week																																
19	Prep. & Signing of Comm. Aggrement	3 week																																
20	Lead in period	2 weeks																																
21	Site Operations	52 weeks																																

52 week contract?

**Report back from the Contracted Services Sub-Board (CSSB) –  
11<sup>th</sup> December 2007  
Kate Barns – Vice-Chair**

**Performance Indicators**

- CSSB noted the performance figures for a range of HFI services within the remit of CSSB.

**Report Back from PFI 1 contractor – Partners for Improvement in Islington**

- CSSB noted a report giving information about the performance of Partners in delivering the PFI 1 contract for refurbishment, maintenance and housing management services to 2,400 street properties across the borough.

**HFI Community Fund**

- CSSB agreed to fund the application from the Bemerton Villages Management Organisation.

**Report Back from PFI 2 contractor – Partners for Improvement in Islington**

- CSSB noted a report giving information about the new PFI contract, referred to as PFI2, delivering refurbishment, maintenance and housing management services to 1,871 street properties, comprising a total of 4,101 dwellings across the borough.
- CSSB noted that HFI is undertaking an audit of Partners' Equality and Diversity Plan and that this would be reported at the meeting in April 2008.

**Report Back from TMOs/TMCs**

- CSSB noted a report giving information on the performance of the 24 estate-based TMOs and TMCs, delivering housing management and maintenance services to 4,000 properties on behalf of the London Borough of Islington.

**Risk Register**

- CSSB noted the current position with regard to all risks that relate to its remit.

**Report Back from Consultative Panels**

- CSSB noted the report.

**Forward Plan**

- CSSB agreed the forward plan.

**Report back from Managed Property Sub-Board (MPSB) -  
12<sup>th</sup> December 2007  
Jessie White – Chair**

**Community Safety**

- MPSB agreed the schemes as recommended by staff to be included in the 2008/9 programme under the Community Safety initiatives budget heading.
- MPSB agree setting a two year program owing to the significant demands placed on this resource or consider identifying a reserve priority list.

**HFI Community Fund**

- MPSB agreed to fund the schemes for
  - Thornhill 50 Plus Club
  - Elthorne Community Project
  - African Youth Trust
  - Whitbread TRA
  - King Square TRA
  - Hornsey Lane TRA
  - Islington Chinese Association
  - Andover Youth and Community Trust
  - YouthReach
  - Vaudeville Court TRA
  - Somali Welfare Centre
  - Mersey Estate TRA
  - Six Acres TRA

**HFI / Kier Islington Repairs and Maintenance Performance**

- MPSB noted a report on the key areas of performance.

**Performance Indicators**

- MPSB noted the performance figures within the remit of MPSB.

**Scrutiny Item – Estate Services**

- The report was noted.

**Risk Register**

- MPSB noted the current position with regard to all risks that relate to its remit.

**Update on petitions received by Area Panels**

- The report was noted.

**Consultative Panel Feedback report**

- MPSB noted the report.

**Forward Plan**

- The forward plan was agreed.

**Report back from Investment and Delivery Committee (IDC)**17<sup>th</sup> October 2007

Theresa Coyle – Chair

**Election of Chair**

- Theresa Coyle was elected as Chair.

**Quality Monitoring Presentation**

- IDC noted a presentation on how quality monitoring takes place on a standard framework contract.
- IDC stated it was generally reassured that there was a robust monitoring system in place.

**Contract Approval**

- IDC agreed Contract 33 (Blackstock Estate Area).

**Financial Progress of 2007/08 Capital Programme and programme additions**

- IDC noted a report updating Directors on the progress of the 2006/7 and 2007/8 main framework contracts and other areas of the capital programme.

**Risk Register**

- IDC noted a report presenting the current position with regard to all risks that relate to IDC.

**KPIs for Constructors**

- IDC noted a report providing the result of KPIs for the constructors.

**Increase the use of BME owned firms in the framework Contractors**

- IDC noted a report setting out the actions HFI is taking to increase the use of BME owned firms in the Decent Homes Framework Contract.

**Strategies to deal with subsidence**

- IDC noted a report providing a comprehensive spreadsheet of properties affected by subsidence.

**Contract Approval Schedule update**

- IDC received and noted a list of all approved framework contracts for 2007/08 to date.

**Forward Plan**

- IDC agreed the forward plan.

**Report back from Investment and Delivery Committee (IDC)**28<sup>th</sup> January 2008

Theresa Coyle – Chair

**Contract Approval**

- IDC agreed Phase 4 for Six Acres Estate.

**Report back from Chairs Agenda Planning Committee (CAPC)  
28<sup>th</sup> January 2008  
Adam Borrie – Chair**

**Forward Plans 2007-08**

- CAPC agreed the forward plans for 2007-08.

**Meeting Planner 2008-09**

- CAPC agreed the provisional dates for the Board's cycle of meetings in 2008/9.

**Away Day March 2008**

- CAPC considered the agenda items for discussion at the March Away Day.

**Report back from Finance Committee (FC)**  
**10<sup>th</sup> January 2008**  
**Adam Borrie – Chair**

**Election of Chair**

- Adam Borrie resigned from the Committee. The election was deferred to allow his replacement to take part.

**Financial Review of the New Build Programme**

- FC noted a report on the progress of the new build programme, the sites being proposed and makes recommends on value for money assessment for the current and future new build phases.
- FC felt that further assessment was needed on the value for money indicators. It was agreed that a further report would be returned in March 08.

**2007-08 Annual Efficiency Statement – Month 9**

- FC noted a report updating the Committee on performance in meeting the 2007-08 annual efficiency target.

**Budget Monitoring 2007-08 Month 8**

- FC noted a report summarising the latest position on the HFI Managing Agent Account (MAA) and details of the Housing Capital Account & CSA spending to date.
- FC agreed to request that Audit Committee consider whether the repairs budget should be introduced as risk on the Risk Register.

**Financial Review of the 2008/09 Business Plan**

- FC noted a report reviewing the financial position on 2008/09 efficiencies, growth and overall budgetary position.
- FC agreed that there would be a future report to the Committee on how HFI would meet the 3% efficiency savings required in the repairs budget.

**Risk Register**

- FC noted a report a report detailing the current position with regard to all risks that have been delegated to the Finance Committee.

**Forward Plan**

- FC agreed the forward plan.

**Report back from Human Resources Committee (HRC)****31<sup>st</sup> January 2008****Eddie Niles – Chair****Election of Chair**

- Eddie Niles was elected as Chair.

**Performance Management – Workforce Profile**

- HRC noted a report detailing the Annual Workforce Profile that lays out Staff numbers by grade and the 6 equality strands.
- HRC agreed to receive a further report giving a breakdown of staff recruitment since HFI's inception.

**Strategic HR Matters**

- HRC noted a report updating the committee on various HR issues that have a strategic impact on HFI.

**Risk Register**

- HRC noted the current risks in its remit.

**Discussion Item – Dress Code Policy**

- HRC noted a report updating the Committee on the current HFI Dress Code Policy.
- HRC noted that no major staff issues have arisen since implementation of the Policy.

**Forward Plan**

- HRC agreed the forward plan.

## Forward Plan for Homes for Islington Board 2007-2008

Date of meeting	Items on the Agenda	Status
21/04/2008 <b>Standard Items</b>	Approval to Trade	D
	Resident Involvement Action Plan update	M
	Contract Approvals	D
<b>Presentations</b>		
28/06/2008 <b>Standard Items</b>	HFI Business Plan Objectives 07/08 - qtr 4 and March Pis	D
	Equality and Diversity Action Plan update	M
	Risk Management	M
	Capital and Financial Performance Management	M
	Contract Approvals	D
<b>Presentations</b>		
26/08/2008 <b>Standard Items</b>	ICT Strategy 3 year review	D
	HFI Business Plan Objectives 08/09 (qtr 1) and June Pis	D
	HFI Security Concierge	D
	Capital and Financial Performance Management	M
	Contract Approvals	D
<b>Presentations</b>		
20/10/2008 <b>Standard Items</b>	Sustainability Strategy Action Plan update	M
	Risk Management	M
	Contract Approvals	D
<b>Presentations</b>		
AGM - 24/11/08	Approval of 2007-08 Accounts, Appointment of External Auditor and Directors report	D
15/12/2008 <b>Standard Items</b>	Election of Chair / Vice-Chair	D
	Appointment to Sub-Boards, Committees and Portfolios	D
	HFI Business Plan Objectives 08/09 (qtr 2) and September Pis	D
	Business Plan 2009-14 (First draft)	D
	Capital and Financial Performance Management	M
	Risk Management	M
	Community Engagement Strategy Action Plan update	M
	Contract Approvals	D
<b>Presentations</b>		



# Islington's Housing Strategy 2008 – 2012

Homes for Islington Board 25 February 2008

## “Core” Strategic Objectives

Generally doing well – our focus is on now on delivery:

- Preventing homelessness – numbers falling, regional champions
- Housing options and choice
- Private sector – expanding, empty property strategy delivering, good partnership
- Housing support now mainstreamed in social care
- Conditions improving – especially in council homes
- Housing management satisfaction high
- Planning approvals for new development high, delivery very high (although below demand)

**BUT**

Environmental concerns, overcrowding, polarised community, affordability, demographic challenges....



# One Islington - where tenure does not restrict opportunity

## Housing interacts with other services

Employment      Education  
Safety            Health  
Environment

## Sustainable Communities Strategy

Reduce Poverty    Improving Access  
Realising Potential

**How do we break the link between social tenancies and social exclusion?**



# Listening to the area housing panels 1

## Overcrowding a major concern

### Sustainable communities

- Lack of door-to-door recycling on estates
- Rapid turnover of tenancies
- Cost of social rented housing and shared ownership housing

### New developments

- Communication between housing associations and residents
- Density
- Space standards and design (including crime prevention)
- Facilities



## Listening to the area housing panels 2

### HFI Issues

- Staff turnover and alleged loss of customer history
- Lack of facilities for young people
- Repairs, both planned maintenance and responsive
- Lack of enforcement of tenancy conditions

### Private sector

- Loss of control over leasehold properties
- Too many empty properties
- Lack of control of landlords and lack of representation for private tenants
- The use of leasehold properties as temporary accommodation

## Getting there

### Tackling exclusion and dependency

- **Joint working with the job-centre plus**
- **Offer employment opportunities with our contractors**
- **Using Home Connections as an employment information system**
- **Build employment and training into housing pathways, eg homeless casework, signing up new tenants**
- **Review allocations policy to eliminate worklessness traps and address overcrowding**

### New developments

- **Introduction of the Core Strategy to better plan new developments**
- **Enforcement of higher design standards and family sized units**
- **Greener development standards**

## Making the best use of what we have

- **Commitment to the most seriously overcrowded?**
- **Co-ordinated options service for overcrowded tenants covering transfers, exchanges, property improvements and services**
- **HFI changing so it is better able to respond to opportunities to enlarge properties**
- **Consider ‘respite’ to alleviate overcrowding**
- **Increase the officer time dedicated to helping older people through the process of moving to smaller properties**
- **Making more efficient use of under-occupied private and housing association homes**
- **Building new homes**
- **Allocation policy**

## What next?

- **Housing commission to act as critical friend: ensure strategy is appropriate and consistent with sustainable community strategy**
- **Develop draft strategy before the summer**
- **Consultation as open as possible – housing panels, network, wide range of stakeholders**
- **Agree strategy in autumn (depending on commission)**
- **Happy to meet to discuss!**

**Thank You for your views**

Contacts:

[sean.mclaughlin@islington.gov.uk](mailto:sean.mclaughlin@islington.gov.uk)

[bryony.willett@islington.gov.uk](mailto:bryony.willett@islington.gov.uk)