



***South Lakes  
Housing***

**BUSINESS PLAN**



**2011-2012**



Certificate No 1570/97



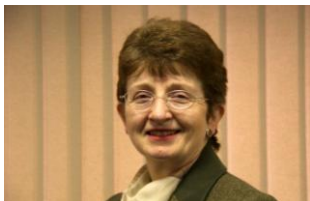
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## Foreword Chair of SLH Board



Welcome to the South Lakes Business Plan 2011/2012

Over the last 5 years the Decent Homes work has transformed people's homes and in delivering the programme we achieved a very high level of customer satisfaction and active tenant engagement in all the important decisions that affect them.

This plan now looks forward to a new and challenging phase in the development of the company when financial projections show a shortfall in meeting our stock investment needs and the country is entering into a period of austerity which will affect our tenants, staff and organisation. Need and demand for social housing continues to rise and in response SLH has a vital role to play in making the best use of the district's council housing stock, exploring opportunities to deliver more affordable housing and responding to the needs of an ageing population.

There is no doubt in my mind that it is the strong relationship between tenants and SLH that has been the driving force behind our achievements, such as the decent homes programme project, and the fact we have one of the UK's highest overall tenant satisfaction ratings at 93%. Our strong partnership with both tenants and SLDC gives me great optimism for our future.

**Mary Dowling**  
**Chairman of the Board of Directors**

## Foreword Chair of Tenants' Committee



I am delighted to speak on behalf of tenants in this Business Plan which takes the company beyond just delivering decent homes. A particular success was the Tenants Conference and the Housing Options Study consultation organised over the summer of 2010 which have provided us with some new faces on Tenants' Committee. Tenants have also been involved in the development of the new service offers from the very beginning and we look forward to judging how well these have been delivered at the end of the year.

The change in Government at the start of this financial year has brought different challenges for services and some optimism about localism and big society. Tenants' Committee are pleased to be working with its own Independent Tenant Advisor who we like and trust. Jamie will be helping us open up further opportunities for tenant scrutiny and ownership in SLH over the next few months.

We are also very much looking forward to keeping the momentum going with the Council's Housing Options Study, and are delighted that the views of ordinary tenants are being listened to carefully. Over the year ahead we will have a very different organisation but we will be guided by the value that has served us well in the past – that is tenant involvement in every key decision.

**Margaret Pritchard**  
**Chairman of Tenants' Committee**

## **PART 1 – THE DIRECTION**

Welcome to our interim Business Plan and Delivery Plan for South Lakes Housing (SLH) covering the period 2011/12.

During 2010 South Lakeland District Council has undertaken a Housing Options Appraisal which may fundamentally affect the future of SLH. Therefore this interim Plan serves mainly to refresh and update the 2007/11 Plan, primarily focussing upon the forthcoming financial year, leading up to the introduction of a new long term Business Plan which will be prepared in 2011 after the completion of the housing options strategic review. This does not mean we do not already have an eye to the long term but the next Business Plan can be based upon the Housing Option chosen by South Lakeland District Council and supported by tenants.

During 2010 we have looked at where we are going and there is a clear wish from both the board and tenants to continue to provide high quality core housing services whilst expanding our activities and doing more to ensure strong and vibrant communities in the neighbourhoods in which we operate. SLH will play its part in providing services that meet the needs of an ageing population and which address the corporate priorities of SLDC. We intend also to redouble our efforts towards improving the customer experience and outcomes for our service users.

This first part of the document tells the story of SLH so far, the challenges faced and successes achieved. It also sets the context for our business, our vision and values, who our customers are and what are their priorities and expectations are from SLH. It also provides a description of the housing stock and assets we manage and the investment requirements we have identified.

# 1 Introduction

**This section of the plan tells the South Lakes Housing story so far, what has been achieved and challenges faced.**

## **The story so far**

South Lakes Housing was set up in 2004 as a not for profit Arms Length Management Organisation (ALMO). It looks after the tenants and houses of South Lakeland District Council and manages a housing stock of about 3,400 tenanted and leasehold properties spread over a 600 square miles of South Cumbria.

A lot has been achieved since 2004. We have delivered a host of improvements to our customer service delivery, gaining a 'Good 2 star, with excellent prospects' rating in a 2008 Audit Commission inspection. We have helped empower tenants and leaseholders to play an active part in the management of their homes and estates. We secured the final tranche of the £21 million funding which enabled us to complete the Decent Homes Programme on budget and a year ahead of the 2010 deadline.

## **Customer focused**

In our first Business Plan produced in 2004 SLH had specific objectives to work in partnership and to develop and implement accountability to tenants and leaseholders and in the 2005 Audit Commission inspection it was noted that **"Customers are seen as part of the organisation involved in all aspects of the business"**. Our aim is to ensure that tenants will continue to have a clear influence in every activity undertaken by SLH. This simple philosophy will underpin all that we do. For example tenants have had a major role in the key decisions on the decent homes programme and are central to the review of strategic housing options.

Like all good partnerships there has been continuous learning and a high level of co-operation and trust. The end users, our tenants, have at all times been at the forefront of the partnership process.

## **Making the difficult decisions**

South Lakes Housing has faced significant financial pressures and on occasion difficult decisions had to be made by the Board including a freeze on vacancies, a reduction in the staff establishment by 10% and a reduction in staff salaries across the business. Back office costs were reduced so as not to affect front-line service delivery. In total over £1 million of efficiency savings were generated. These tough decisions have helped ensure a longer term future for the company. However after 2011 we have projected a shortfall in income and insufficient funding to meet all of the stock investment requirements and thus SLH has helped initiate and support a timely appraisal of housing options which places the company, tenants and SLDC in a strong position to evaluate the government's 'self financing' proposals and formulate a long term plan.

There is a recognition that there will be some difficult decisions and we will have to find more savings, but this is nothing new for us. We enter 2011/12 as a strong organisation able to deal with these challenges.

## Improved capacity to deliver

We have been able to direct funds, achieved through efficiency savings and successful negotiations on capital funding, into ICT business systems including the Opti-time repairs work flow management and a new finance system.

Additionally restructuring our corporate management team in 2010 reduced management costs and achieved a better match of professional and managerial skills to the organisation's current and future requirements.

It was the judgement of the Audit Commission that SLH has excellent prospects for improvement because **“performance has improved in many areas and SLH has demonstrated it can effectively manage pressures within its business. Strong leadership is in place and most corporate systems are robust.”**

## Service Standards and the Tenant Services Authority

Over the summer 2010 SLH started out on the biggest ever consultation programme with tenants and leaseholders. Over 800 responded to the questionnaire about the future of council housing, called 'Housing Options: Your Home, Your Future', and a further 60 people attended the 'Tenants Conference' which gave tenants the opportunity to help set new standards for services. Elaine Jackson from the Tenant Services Authority (TSA) was also on hand to help challenge and help set higher standards.

SLH now have a brand new set of standards which have been called our '**service offers**'. This allows tenants to judge whether they have received a good service or not. South Lakes Housing also provided resources for an Independent Tenant Advisor who is working with tenant representatives to help improve capacity for additional tenant scrutiny within South Lakes Housing. These standards will replace the old and outdated central Government targets helping us focus on the things that really matter to tenants such as customer service, the environment and repairs completed on first visit. In the next 12 months SLH will refresh its performance management framework to take account of these changes and to shift the focus on tenant-led regulation from tenants in South Lakeland.

In the development of SLH 'service offers', tenants have expressed a desire for more support to be available for neighbourhood management services e.g. estate inspection and additional support for vulnerable people. Staff have stated that there needs to be a refocus back on traditional patch management and additional customer liaison support for the vulnerable. During 2010/11 South Lakes Housing will develop an operating structure which best meets the needs of tenants and staff.

Whatever the future may hold for the regulation within the sector, South Lakes Housing will continue to work with tenants and South Lakeland District Council to improve rights, standards and meet tenants' aspirations in South Lakeland.

## Looking ahead

Following completion of the Decent Homes Programme SLH is now moving into a new phase. Our financial context is the key to achieving our aspirations and the extent to which the Housing Revenue Account (HRA) has the resources and viability to continue to deliver these aims in the longer term has been recognised as a concern since the 2004 SLH Business Plan.

The problems facing us are twofold. The HRA is forecasted to be in deficit by 2014/15 when the HRA would need to find savings or additional income of around £829k to maintain the minimum of HRA balances. This deficit would continue to increase over time. Secondly there is a substantial gap between projected capital spend versus available capital resources, rising to £110 million by year 30. Therefore the strategic housing options review undertaken in conjunction with the Council and tenant representatives is a vital process and will be the main determinant of the sort of future we can expect.

### **Stakeholder consultation**

Consultation began about the post decency future as early as 2006 when SLH put forward to all of its major stakeholders a set of proposals as draft business plan change strategies. Through the subsequent Annual SLH Stakeholder Conferences, attended by tenants, leaseholders and partner agencies, through consultation with Tenants' Committee, Board and SLH management 'away days' and a series of strategic meetings with SLDC, the key issues facing the company and the ways forward available to us have been debated and can be set out as part of this business plan.



### **Increased pace of change**

There is recognition in the company that there is a need for an increased sense of urgency to keep up and move ahead in the rapidly changing world in which we operate. We intend to ensure that our rate of travel speeds up in order to become and remain an excellent organisation and this document and our Delivery Plan provides the route map to get there.

### **From plans to results**

Plans are one thing but results are another. To be sure we meet the objectives we have set ourselves we have improved our performance management framework – deeply embedding strategic objectives in a 'golden thread', through a link to individual and team performance monitoring through regular 1-2-1's. We will measure and report our performance in every one of our key activities against key performance indicators.

At the same time SLH is committed to ensuring excellent customer service because we will never be truly successful unless we treat our customers well and shape our services around what they want and need.

## **Key facts**

**Our tenants say that the most important services/aspects of being a tenant are repairs and maintenance, the overall quality of their homes, being kept informed and value for money.**

**Over 3 in 4 tenants think that their rent represents good value for money.**

**Keeping rents affordable and protecting tenants' rights is our tenants ' key priority**

**In order of priority the top three problems in neighbourhoods are car parking, rubbish or litter, and problems with neighbours.**

**The £28 million Decent Homes Project was completed on budget, one year ahead of the target and with 100% satisfaction in the final stages. We installed 1,508 new kitchens and 949 new bathrooms.**

**98% of tenants said they were satisfied with responsive repairs carried out to their home.**

**The majority of tenants prefer SLH to contact them via the telephone (82%) and the majority were satisfied with their last contact. 4 in 5 found it easy to get hold of the right person**

**9 in 10 tenants are satisfied they are kept informed and 89% of those who contacted SLH say SLH staff had been helpful**

**Almost all SLH customer satisfaction indicators improved between the 2006 status survey and the 2008 status survey**

**93 % of tenants are satisfied with the overall service provided by SLH. This is one of the best results in the country**

**Overall tenant satisfaction with accommodation is high, with 9 in 10 tenants agreeing that they are satisfied.**

**In addition to decent homes tenants are very clear that they wish to see improvements to estates and the local environment**

## 2 Executive Summary

- ❖ South Lakes Housing came into existence in April 2004 and within eight months the company had progressed from a one star, uncertain prospects rating, assessed within the first 3 weeks of operation, to a two star organisation with promising prospects. Recognition as a high performing ALMO allowed the council to access the £21million pounds of additional funding which was essential to deliver the decent homes programme before 2010. The company improved its rating to 'excellent prospects' in 2008.
- ❖ We believe partnerships are important and are helping us to deliver more to make our homes and neighbourhoods better. The Audit Commission said "the ALMO's working relationship with SLDC works well and the partnership has assisted towards delivering SLDC corporate objectives". Effective and teamwork between SLH, SLDC, tenants and other external partners will be central in to our mission of delivering quality homes and vibrant communities, particularly at this time of public sector austerity.
- ❖ We will ensure the best use can be made of existing land and assets, a priority for SLH in order to maximise resources in meeting the district's housing needs. We will also continue to focus on better procurement and value for money, recognising that if ever there was a time thrift was the watchword, that is now.
- ❖ There is recognition in the company there is a need for increased urgency to keep up and move ahead in the rapidly changing world in which we operate. We will generate a renewed commitment to customer care and staff helpfulness.
- ❖ An organisation's credibility lies in its history of keeping promises. We have delivered on all of the promises made to tenants when they voted to set up an ALMO.
- ❖ We understand who our customers are and what is important to them and to our local community and this plan provides a road map towards service development that meets the identified community priorities and needs. We see an increasing role for SLH in community initiatives and projects.
- ❖ SLH now has a good understanding of the background and needs of our customers and the information is being actively used to improve the delivery of services. There is an opportunity for SLH to expand our services to help older persons who live in the private sector and social housing in maintaining their independence.
- ❖ A strategic options review is under way looking at the funding options - which crucially involves tenants and leaseholders right from the outset, to examine how SLH can develop services, improve levels of stock investment and become involved in the development of new homes.
- ❖ The top 6 priorities to guide service development have been identified and incorporated into a 'road map' set out as part 2 to this document. This road map also provides all SLH stakeholders, including staff and tenants, with a clear set of objectives, outcomes, performance measures and planned service changes for every area of our service delivery.

## **3 Vision and Values**

**This section of the plan contains our vision and values.**

### **Our vision**

Lakeland's local landlord - respected by our customers, responsive to their needs and with a reputation for getting things done.

### **Our mission**

To deliver a customer driven service providing quality homes and, through strong partnerships, helping to build vibrant and sustainable communities and supporting the most vulnerable.

### **Our Values**

- We aim to impress by our attitude towards customers and our everyday commitment to service.
- We will value staff who make a difference to customers.
- We will listen carefully to what people tell us and will communicate with tenants what we cannot do in these difficult financial times.
- We will ensure that, at all times, tenants and other service users are at the heart of decisions taken in financial planning and delivering our services.
- We have a commitment to life long learning, innovation and having fun with our work.
- We will make sure we embrace diversity and are fair to all in these challenging economic times.

### **Equality and diversity**

#### **Statement of Commitment**

South Lakes Housing is determined to promote equality and diversity to improve community well being in the South Lakeland District.

We recognise that people who provide and use our services come from diverse backgrounds, with different experiences and needs.

We want our services to be accessible and useful to everyone and will take positive action to ensure equality and fair treatment so that individual needs are met.

As an employer we commit to working towards achieving a workforce that is reflective of our local population. We also want our staff and job applicants to feel valued and to believe that they are given equal chances, no matter what their background or circumstances.

This policy aims to ensure that no-one receives less favourable treatment such as, race, ethnic origin, nationality, faith, cultural background, gender, sexuality, disability, domestic circumstances, illness, age, employment status, membership of trade unions etc.

On the 20<sup>th</sup> and 21<sup>st</sup> October 2010 SLH was inspected against the Equality Framework for Local Government by the 'Improvement and Development Agency'. They assessed how well we know our customers, what they think to our commitment to equality, how responsive they think we are to different needs and looked at the quality of our workforce. They awarded SLH the 'achieving' level of the standard.

## **4 Our Community and their priorities**

**This section of the plan explains who our customers are, what is most important to them and describes the area and housing stock.**

### **Our customer profile**

In 2008 we conducted a survey of our tenants which achieved a very high response rate and which gave us a range of profile information from tenants. It provided us with key information about the households including length of residency, household composition and the prevalence of long standing illnesses, disability or infirmity. We have subsequently made a concerted effort to contact all our tenants in order to update the profile information held on them to provide a more tailored service.

Significantly a high proportion of our tenants (46%) are over 65 years of age. Of this group 27% are over 75 years of age. Not surprisingly many of our tenants are retired and 13% are permanently sick or disabled. As the number of people in South Lakeland aged 65 plus continues to grow this will present a significant challenge to SLH in providing services which can meet their needs.

Many tenants are not in the job market (only 1% unemployed looking for work) with 32% currently in employment. Poverty and deprivation are not endemic on our estates. However local wage levels remain stubbornly low and South Lakeland has one of the lowest average earning figures in the UK. 46% of our customers wholly rely on state benefits or pensions. This suggests that economic disadvantage is most likely to occur within our neighbourhoods. A high number of our tenants (35%) have lived in their home over 21 years.

Currently there are 3,259 on the housing register and we have a housing stock of 3,191 homes. South Lakeland is therefore a high demand area for social housing with a continuing trend of households in urgent housing need exceeding social supply, with more people on our waiting list than homes to let. Consequently SLDC requires a high number of vacancies for homeless, often for younger and occasionally vulnerable applicants. A potential clash of lifestyles between generations can arise as we sometimes now need to use flats, which are predominantly tenanted by older persons, to re-house households with small children. Unfortunately the status survey reveals an increasing proportion of our tenants complaining of noise nuisance which may be linked to changing occupation patterns.

A good understanding of the backgrounds and the needs of our customers has been established with individual profiles of over 85% of service users. SLH has information on age, gender, sexuality and ethnicity and has identified customers who consider themselves to be disabled. This information is being actively used to improve the delivery of services. For example by enabling staff to make appropriate arrangements when contacting customers or targeting action. During its inspection in 2008 the Audit Commission judged:

**“SLH has a good understanding of the diverse profile of its customers.”**

The award of the achieving level of the Local Government Equality Standard in October 2010 was an important milestone in evidencing the highly responsive services that we provide to our tenants on a daily basis.

## **Our Housing Stock Profile**

The Council has a tenanted housing stock of 3,191 homes and has 247 leaseholders – a total of 3,438 properties under management. The right to buy sales have slowed to a trickle with only 6 properties sold in 2009/10.

The majority of council homes are 2 storey houses of traditional construction. The bulk of the housing stock is situated in the 3 main towns of Kendal, Ulverston and Windermere. Many tenants live in small neighbourhoods with less than 25 properties spread over a predominantly rural district covering over 600 square miles with dispersed settlements and poor communications.

Travel times are slow, exacerbated for most of the year by the influx of tourist traffic, making journeys even slower and unpredictable. Intervening distances between the housing stock introduce difficulties, extra costs and work scheduling problems. These factors combine to create a challenging context for both the delivery of housing management services and maintenance. Despite this SLH unit management costs compare very favourably against other ALMOs and RSLs, including those with a similar stock profile and rural geography like Carrick and High Peak.

## **The area and its population**

The population is 102,000 of which only 0.4% are from ethnic minority communities ( 99% of our tenants are white/ British). The proportion of people of pensionable age (27%) is much higher than the national average for England as a whole (21%). The District's population is ageing as this is a popular retirement area. Young people leave because of the high cost of housing, the low wage economy, lack of job opportunities and the loss of rural services. It is predicted that the number of people aged 60 to 84 will grow by 1.5 times and those 85 plus will double in the next 40 years.

SLH recognises it must meet the needs of a wider customer/community base. SLH estates include many people who are not our tenants. Half of the original stock has been sold off in recent years. All of these private owners are also influenced by SLH activities. They are equally part of our customers and the community we can affect. In terms of economic regeneration the definition of "our community" can be stretched even wider beyond our estates and even beyond the District.

Limited public transport, the distance to retail and employment centres, poor access to social, education and health facilities – these are factors which create the potential for a level of rural deprivation, exclusion and isolation that can go unrecognised.

These problems are especially true for Council tenants, who mainly come from the more vulnerable groups. There is a greater onus on housing services to be supportive, accessible and in touch with tenants 'needs.

Overall almost 9 in 10 of tenants (89%) are satisfied with their neighbourhood as a place to live including 56% who are very satisfied. In contrast just 4% are dissatisfied. Overall neighbourhood satisfaction is greatest for older tenants.

## **Equality, diversity and social inclusion**

As Cumbria lacks the visible presence of BME and other groups found elsewhere, we must deal with more subtle forms of exclusion and isolation. There are hidden but real differences of needs and perceptions, and conflicting attitudes within our communities. SLH undertakes community profiling and partnership work to develop understanding co-operation and more focussed delivery of services. We have new initiatives aimed particularly at hard to reach groups in order to encourage participation and community spirit.

## **Crime and anti social behaviour**

For eight out of 13 potential neighbourhood issues the majority of tenants indicated in the 2008 Status Survey that they were not a problem at all. This is a positive finding from the perspective of maintaining and developing communities. However many of our tenants are concerned about crime and particularly anti-social behaviour, although it is recognised that there are comparatively low levels of crime in South Lakeland.

In the Status Survey tenants were asked to identify the key issues and problems they face in their neighbourhood. Apart from a widespread concern about lack of parking the most serious neighbourhood problems identified by tenants were with rubbish and litter at 23%, nuisance from disruptive children/teenagers was experienced by 15% of tenants, noisy neighbours problems came next at 13%, with problems with nuisance from pets at 11%.

SLH is committed to being a partner in tackling crime and disorder. It works with residents and SLDC to undertake diversionary activities for young people and to prioritise expenditure to resolve local environmental issues, security upgrades, playground refurbishment and car parking concerns. SLH considers with tenants the potential for neighbourhood agreements and other such methods for focussing on community improvement.

## **Resources**

The Decent Homes Programme provided resources and acted as a catalyst for community projects. It enabled SLH to play a bigger part in delivering sustainable communities. Other sources of funding are being utilised, hence the importance of understanding how funds are channelled into the sub-region. Pooling of resources is vital and joint-working is mutually beneficial. Working more with the voluntary sector opens up new avenues to explore. This all requires effort being put into making connections and seeking out imaginative solutions.

## **Our tenants' priorities and what we did**

SLDC was the first Local Authority to adopt a completely open approach to empowering tenants to enable them to play a lead role from the very start of the process of appraising the possible future options for their housing. This approach has been maintained in our current housing options appraisal.

As part of each consultation process in setting up the ALMO we identified tenants' priorities. The tenants' top priorities for SLH to tackle were:-

- ❶ **To make sure tenants have a voice and are listened to.**
- ❷ **To provide better kitchens and bathrooms and involve tenants in key decisions related to the Decent Homes programme.**
- ❸ **To provide appointments for repairs.**
- ❹ **To introduce a quality lettings standard.**
- ❺ **To tackle anti social behaviour.**
- ❻ **To address problems of hard to let sheltered housing bedsits.**

## Keeping our promises

**South Lakes Housing has kept our promises to address tenants' main priorities listed above.**

- ❶ **To make sure tenants have a voice and are listened to**  
In the 2004, 2005 and 2008 housing inspections the Audit Commission judged that “tenants are involved significantly” in all parts of the business and are listened to.
- ❷ **To provide better kitchens and bathrooms and involve tenants in key decisions related to the Decent Homes programme**  
We have installed 949 bathrooms and 1,508 kitchens as part of the Decent Homes Programme and tenants influenced all the key decisions on the planning and choices. For example expressing a preference for all works to be undertaken at the same time, instead of separate strands, right down to the decisions on the height of tiling in the bathroom and the types of taps on offer!
- ❸ **To provide appointments for repairs**  
We provided appointments for 97% of repairs in 2009/10.
- ❹ **To introduce a quality lettings standard**  
We introduced a lettings standard agreed and monitored by tenants and satisfaction with lettings has risen.
- ❺ **To tackle anti social behaviour**  
We adopted a robust approach to tackling anti social behaviour and work successfully with partner agencies. In 2008, we entered into a Service Level Agreement with ASB Action Ltd to assist us to deal effectively with anti social behaviour (asb) and neighbour nuisance. We are members of the South Lakeland Crime and Disorder Reduction Partnership (CDRP) and work with the other partner members to address asb across the district. In April 2009, in conjunction with the South Lakeland CDRP, we held a conference for front line staff working in the community, looking at the challenge of effectively dealing with antisocial behaviour. To increase confidence in our team's ability to deal with anti social behaviour and neighbour nuisance we publicise our success stories.
- ❻ **To address problems of hard to let sheltered housing bedsits**  
We have successfully addressed the problems of hard to let bedsitter flats by transferring two schemes to Impact Housing for refurbishment and redeveloping Birthwaite as an extra care/very sheltered scheme. The last bedsitter scheme, School Knott in Windermere, is currently being vacated with proposals for redevelopment as family homes.

## **Most important services to tenants**

In the 2008 Status Survey tenants were provided with a list of seven core services and asked which they considered to be the three most important.

- The most important service is **repairs and maintenance** (cited by 81% of respondents)
- The second most important service is the overall **quality of their home** (57%)
- The third most important is **keeping tenants informed** (35%)

## **How well SLH delivers against tenants' priorities**

We asked our tenants how satisfied they were with the way SLH have dealt with these three most important services

- 84% ( 80% in 2006 ) of tenants are **satisfied with the overall repairs service** of which 87% (84% in 2006) described the attitude of the workers as good and 88% (86% in 2006) say the speed with which the work was completed was good. 97% are satisfied with the individual repairs they have had carried out.
- 86% are **satisfied with the quality of their home**
- 90% (86% in 2006) say **SLH is good at keeping them informed**

## **Housing Options Study Tenant and Leaseholder Consultation**

In July 2010 a survey was carried out seeking tenant and leaseholder views on the strategic housing options which achieved a response rate of 25% of all tenants and 7.7% of leaseholders. Respondents were asked to rank several statements in order of priority and the top three priorities which emerged from this consultation were as follows:-

- 1.Rents must remain affordable and tenants' rights protected
- 2.The Council should ensure that money is available to do all the work to all of the homes when they need it.
- 3.Money is made available to improve estates and services as well as improve homes.

The survey has enabled SLDC and SLH to develop a clear understanding of the preferences of tenants and leaseholders for the future management of the housing stock and also demonstrated significant support for SLH as the existing service provider.

## **5 Strategic Planning Context**

This section of the plan describes how the external political and community aspirations drive our business.

### **A wider responsibility**

South Lakes Housing will align its business with central Government and regional priorities for building sustainable communities, social cohesion and economic regeneration. The national shared priorities relevant to SLH are:

- ❑ Improving the quality of life – young people, families at risk, older people
- ❑ Promoting healthier communities/ narrowing health inequalities
- ❑ Creating safer, stronger communities
- ❑ Provision of more affordable housing
- ❑ Working with others to reduce carbon emissions

### **Strategic Context**

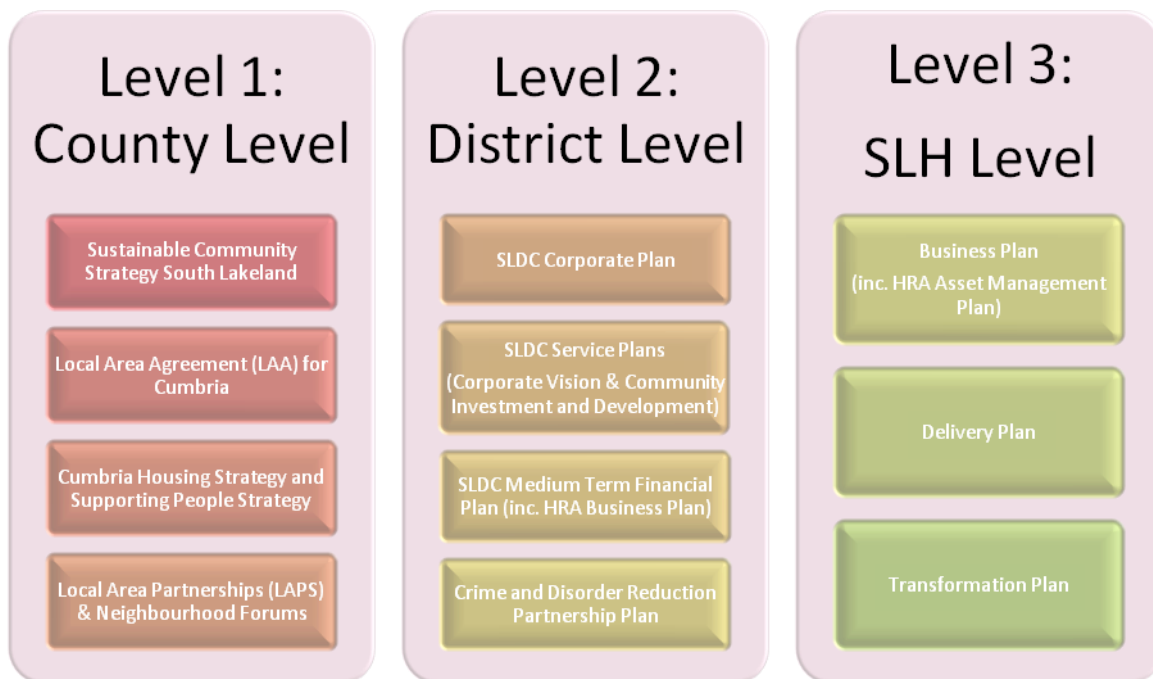
#### **National policy agenda**

The strategic planning framework and performance management regime is changing. The new Coalition Government have reduced the amount of bureaucracy nationally replacing the Whitehall target culture with local scrutiny. The Audit Commission and Tenant Services Authority have both been abolished but some regulatory powers have been transferred to the Homes and Communities Agency (HCA). With these changes, the Comprehensive Area Assessment, Place Survey, Local Area Agreements and Tenants (Status) Survey have been deleted. Further details will be announced as part of the Comprehensive Spending Review (CSR 2010) and in the Localism Bill. In practice this means SLH will be much more accountable to local Councillors and tenants.

For the social housing sector, the regulatory framework published in April 2010 remains and the implementation of local offers, SLDC overview and tenant scrutiny is set to replace the old best value and national indicator performance frameworks. Effectively Key Performance Indicators will be replaced with service offers which have been shaped by tenants and are focused on outcomes. SLH have developed a Efficiency and Reorganisation Plan to help shift organisational resources and therefore our focus on service offers and outcomes.

#### **SLH contribution to SLDC objectives**

SLH has enjoyed a healthy relationship with SLDC. Unlike some ALMOs, the relationship has been challenging but also built upon a solid foundation of shared values, working well together and on being a need-led organisation. There are 3 tiers to the planning framework so that SLH is able to deliver to both SLDC objectives and in doing so make a contribution to County and sub regional agenda's such as decent homes, improving the housing offer for older people and preventing crime. During 2011/12 SLH will work participate in the development of the new Cumbria Housing strategy. The diagram below shows how SLH currently fits into the Councils strategic planning framework.



SLH has prioritised its resources in achieving the outcomes agreed by SLDC. SLH plays a lead role in making South Lakeland the best place to live. Section 7 of this plan sets out the unique contribution that SLH can make to deliver ‘localism’ and ‘affordable housing’. SLH is also able to provide an enhanced role in the delivery of better services for older people, community engagement, creating neighbourhoods which are safe and look nice and using our capital and planned resources to enhance the built environment. SLH could also provide a greater role in providing services which safeguard young people and vulnerable adults. Appendix A illustrates the key projects that SLH will be delivering to help SLDC to achieve its vision of “**making South Lakeland the best place to live, work and visit**”.

### **Local Area Agreement, Local Strategic Partnership and Local Area Partnership**

Local Strategic Partnerships (LAA’s) improve co-ordination between central and local government, channelling money from many sources into “one pot” and requiring co-ordinated action plans and outcomes. SLH can only contribute marginally to LAA targets but must be aware of how best to support the objectives and work of other agencies.

To this end, we work closely with the Local Strategic Partnership (LSP), contributing to its task groups and seeking to deliver their action plans eg Community Involvement, Crime and Disorder Reduction, Equality and Diversity, Children and Young Persons, Affordable Homes.

The introduction of Local Area Partnerships (LAP’s) provides another opportunity for SLH to support the 3 tiers of local government -parish councils, SLDC and CCC, in delivering local priorities in a responsive way.

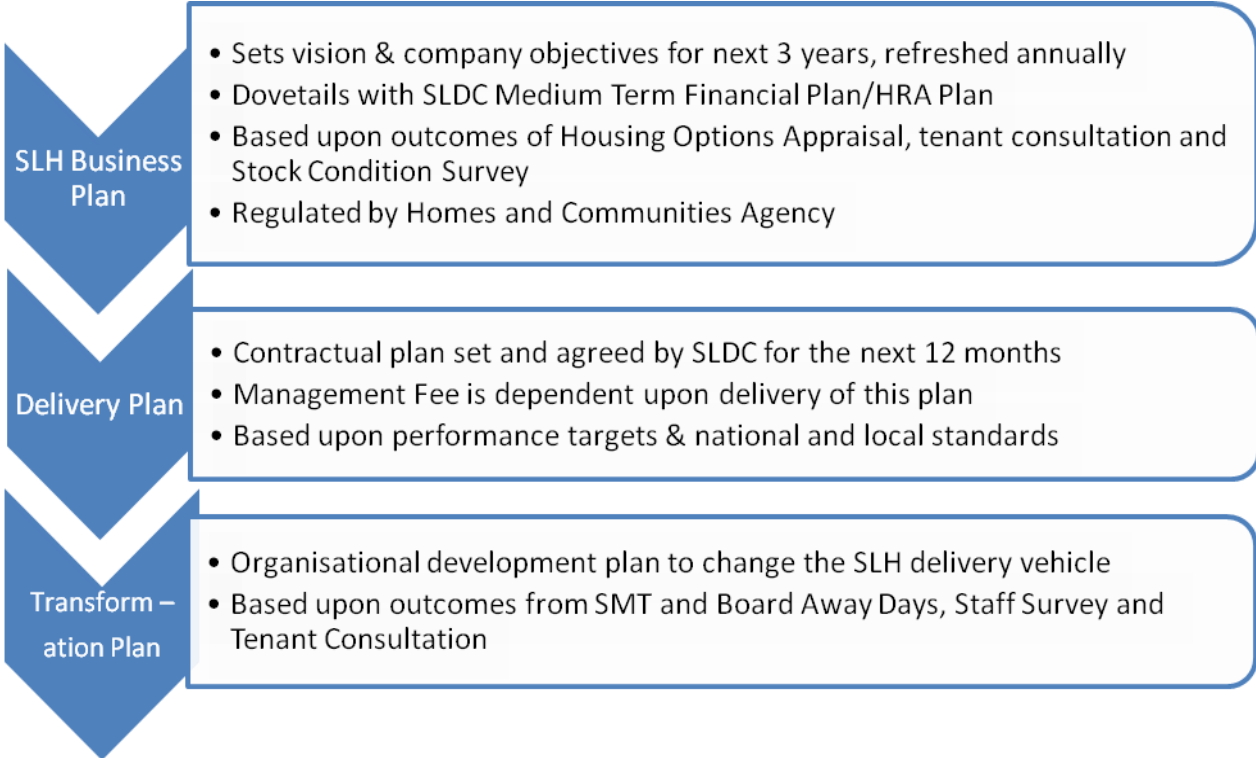
### Following the golden thread

SLH wants to help deliver the strategic goals of the community and its aspirations as set out in South Lakeland Strategic Partnership’s Community Plan. SLDC’s Corporate Plan and its Housing Strategies focus both these aspirations and government priorities.

SLDC Housing Strategy gives direction to the Housing Revenue Account (HRA) Business Plan. This 30-year plan plots the resources and investment strategy for council housing in South Lakeland. The HRA Business Plan provides the resources and links closely to the SLH Business Plan. The SLH Delivery Plan provides the route map for delivering the outcomes against strategic objectives.

### Being a need-led organisation

SLH is about improving customer experience with the landlord service and placing the needs of current and future tenants at the heart of the business so they drive local priorities. SLH is able to articulate needs through the delivery of the strategic planning framework. The diagram below sets this out in more detail and will be agreed on the joint away day between the Senior Management Team and the Board on the 11<sup>th</sup> November 2010.



### Affordable housing

Affordable housing, including social rented and intermediate tenure housing, has become one of the most pressing political issues in the sub-region. There is a high demand for most of the Council's housing stock and a growing waiting list. Although the rate of sales under right to buy has slowed, homelessness has increased.

## **ALMOs' future as delivery agents**

The Government recognises ALMOs' potential as agents for delivering community and economic regeneration. It is considering reform of the council housing funding regime and the Housing Revenue Account and moving to a proposed 'Self-financing' system. For SLH this may be well in the future but we aim to be prepared to take advantage of any future changes.

## 6 Business and Service Development

The Delivery Plan includes service delivery improvements in addition to a range of business developments.

### Managing change

The review of the Business Plan has identified the following six overarching business themes which will help us drive service development and improvement.

1 Renew our commitment to put customers first and to achieve increasing levels of satisfaction for all services.

2 Ensure that tenants continue to have clear influence in every activity undertaken by SLH. This is part of everyone's job.

3 Drive continuous improvement with a passion through attracting, motivating and retaining the best employees

4 Increase the pace of change to implement the priorities that have been agreed.

5 Demonstrate improvement in repairs and maintenance with improving productivity and cost effectiveness.

6 Raise the profile of equality and diversity and provide services and support in the right way.

### Ambition

The Board of SLH have an ambitious vision for the future. Given additional resources, freedoms and flexibilities SLH could make a greater contribution to assisting SLDC in achieving its vision of **"making South Lakeland the best place to live, work and visit"**.

With a reputation for service excellence and a track record in delivering large scale capital programmes, following the outcomes of the Housing Options Study, the Board are keen to work with partners to position itself as a 'delivery vehicle' and could provide the following services;

- New affordable social rented housing to help increase housing opportunities for young people, older people and those in rural communities,
- Resourcing an all tenure scheme which incentivises ' , in partnership with SLDC,' and bringing empty homes back into use to help reduce the waiting list for housing,
- Managing other landlord's stock so that there is one common standard within neighbourhoods for managing homes and estates,
- Leading a high quality housing advice service from 'local links' to prevent and reduce homelessness, and
- Providing aids, adaptations and safety servicing to vulnerable people in South Lakeland regardless of tenure.

## **HRA funding and strategic options**

SLH's management fee and repairs budget are funded from the Council's Housing Revenue Account. In recent years this has been under pressure and SLH has been working with the Council to keep the HRA viable and replenish reserves. This created financial pressures on SLH which has had to make considerable efficiency savings to make ends meet. This pressure eased by 2009 when HRA balances were restored to the desired level.

A strategic development framework has been established in conjunction with SLDC. Decisions about the strategic options are being addressed and crucially tenants and leaseholders and other stakeholders are being involved right from the outset. To cater for the world beyond Decent Homes both the HRA and SLH Business Plans will be considered together.

Where a long-term role is identified the process will allow the Council to consider the purpose and value of its investment in South Lakes Housing and to make strategic decisions accordingly. For SLH the strategic options review will help determine what business we are in and the resources we need.

## **Localism in action**

ALMO's work in one local authority area and our focus is solely on improving services for local people. The ALMO model is a localist model. Services are accountable to and scrutinised by local people and opportunities are provided so that a cross section of the community, including councillors and service users, can each play an active part in delivering services on behalf of the council.

The focus on localism by the government does create an opportunity and a challenge for us to think about how we can further develop our role in community engagement and development. Opportunities include green neighbourhood schemes, youth initiatives, diversionary activities, financial inclusion, employment, training and education programmes.

## **Developing new affordable homes**

One of the Council's priority objectives is to enable sufficient affordable homes to meet identified need. We believe that there is a place for more rented housing managed by South Lakes Housing primarily through redevelopment of existing assets, such as the recent redevelopment of commercial premises into a home. SLH believes it can and should make a contribution to the council's priority of addressing housing needs in South Lakeland because:

- We are ideally placed to understand and respond to local housing needs as no one else has more experience in dealing first hand with people in need of affordable housing in our district or can provide such a seamless service.
- It is an approach which most closely supports the 'localism' coalition government agenda.
- We have a close working partnership with SLDC and a wider variety of agencies in the district.
- No other organisation has our detailed knowledge of our community's needs on housing related issues through our engagement with local communities.
- We provide the most cost effective and locally accessible service for housing management, which is highly regarded in terms of its quality, evidenced by good satisfaction.

- SLH is in the strongest position to help empower tenants and residents and encourage local decision-making.
- Provision of new homes would help achieve economies of scale to help sustain service levels to existing tenants by replacing properties lost under the right to buy.

## **Consultation on priorities**

We are consulting extensively on the priorities for the future looking beyond the current contract with SLDC, which ends in 2014. Consultation is focusing on 3 main options available to the Council:

- Staying within the Housing Revenue Account System
- Opting out of the HRA system and moving to the proposed Self Financing System
- A possible housing transfer to a Registered Provider which might be based on SLH stability and capacity

Should SLDC decide to continue to deliver its housing services through South Lakes Housing beyond April 2014 the issue of the remit of the company will have to be revisited with a requirement to review the Management Agreement and terms of delegation. SLDC may for example see an expanded role for the ALMO in delivering community and neighbourhood initiatives.

## **Asset Management Strategy**

In terms of Asset Management the role of SLH is to work in partnership with SLDC taking a strategic view of the overall demand for social housing in the district and show how best use can be made of existing land and assets to meet housing needs. We manage the stock in a manner to meet the Council's corporate objectives and to ensure that it meets current and future standards and aspirations. We prepared an Asset Management Strategy and Action Plan which was approved by the board and SLDC in 2008.

In 2005-6 SLH received the first funding from Central Government for carrying out its Decent Homes Programme (DHP) upgrading the housing stock and the programme was completed by 2009, a year ahead of schedule. This resulted in all the housing stock meeting the Decent Homes Standard with the exception of School Knott, Windermere, a bedsitter scheme which is being vacated pending redevelopment.

A portfolio scoring exercise was completed in 2010 covering the sheltered housing stock. Portfolio scoring ensures the organisation understands the performance of managed assets in the context of the business plan and as a result develops action plans to improve the performance of underperforming or low demand assets.

During April/May 2010 a stock condition survey was undertaken by Savills which identified a need to spend £59k per property over 30 years to maintain our stock to the decent homes standard, not improve. This indicated a potential shortfall in the 30 year programme of £110 million.

## **Competencies and competitiveness**

Some parts of the business, for example tenancy management and supported housing, which have an 'excellent rating', have been able to run relatively smoothly for 6 years with established patterns of low expenditure and emerging good practice. This competence should be built on to develop new areas for achievement.

Other services, such as responsive repairs, have been subject to significant change over the last 3 years. The market testing of responsive repairs was completed in 2007 and this has led to substantial change within the company and service enhancements, such as a high proportion of repairs which are now carried out by appointment. As repairs are ranked as our tenants' priority this year we have undertaken a root and branch review of SLH Maintenance with our staff with the objective of producing the best responsive repairs service in Cumbria.

## **Premises and location**

The company has identified a requirement to improve the functionality and accessibility of its offices and depots. This is driven by inadequate customer facilities, communication and management problems arising from staff being dispersed between too many locations and value for money considerations. This issue and its relationship to our Customer Access Strategy will be addressed within the term of the plan along with SLH support for the development the Council's Local Links 'one stop shops.'

## **Develop new sources of funding**

We will build on our competencies in order to generate new income. SLH will look to sell its services to other landlords or companies. For example the Board have an aspiration to expand the repairs service to deliver repairs and maintenance services for other social landlords in the county. Opportunities to provide telecare and support services for older persons will also be evaluated.

## **Reducing our environmental impact**

SLH can help deliver government strategy on the sustainable use of resources and reducing the impact of climate change on the environment. We have achieved carbon reduction, looking particularly at the greenhouse gasses emitted by staff use of vehicles for maintenance and tenancy management. This includes reducing mileage, increasing "productivity per mile" and more use of IT for remote working and home working. Asset management will also contribute; the closure of under-utilised office space and investment in energy conservation through the DHP and other maintenance work. We are involving tenants too in energy conservation through the free promotion of water and energy conserving devices.

SLH already has attained the Gold award from Cumbria Business Environment network for improvement in our business systems for energy conservation and recycling.

## **PART 2 - ROAD MAP**

This section of the plan sets out a road map for the future development of SLH services. It provides all SLH staff and important stakeholders such as tenants, with information on our strategic objectives for our main activities, what key outcomes are sought and how we will measure our success.

The road map identifies what service improvements are planned, which are then also set out in detail with milestones within the SLH annual delivery plan. These strategic objectives and planned improvements are cascaded throughout the business and linked directly to the 1-2-1 supervision meetings for SLH staff.

In accordance with the SLH Performance Management Framework and Management Agreement, the road map has been broken down into SMART actions, milestones and targets which are contained in the Delivery Plan, 2011/12. The Delivery Plan is reported quarterly to SLDC, Board and Tenants Committee and progress is tracked on the performance management system, called 'covalent'.

# 1 Good Governance, Risk and Performance Management

## Strategic objectives

To support and work alongside our partners and stakeholders in the development of a new sustainable business plan for the management and maintenance of the councils housing assets.

To have diverse representation at Board level to be able to address the various needs of our local community and the tenants we serve.

To operate sound performance management and risk management arrangements to drive continuous improvement.

To comply with the new regulatory framework for social housing.

## Key outcomes

Production of a 30-year sustainable business plan (either 'self financing' or 'housing transfer') which has the support of all key stakeholders.

Good mix of skills amongst board members and tenants play a significant role in the management of their homes.

Effective risk management and performance management culture is evident throughout the business and being seen as a company that 'gets things done'.

SLH is considered as a sound investment by partners, lenders and regulators.  
Raising standards, strong leadership and becoming a leading social housing organisation..

| Our success will be measured by  | Frequency |
|--|-----------|
| A new 30-year Business Plan and associated Investment Plan.                                | 3 yearly  |
| Average attendance at Board meetings.  | Annually  |
| Chief Executive report periodically on Board recruitment and diversity.                    | Annually  |
| The Board achieving an above average or excellent rating in self-assessment of governance. | 2 yearly  |
| An external audit that demonstrates the Board follows their own financial rules.           | 2 yearly  |
| Percentage of KPI's that are in the top 25% of national performers.                        | Annually  |
| Percentage of service offers which have been delivered.                                    | Annually  |

### **Planned service improvement or change**

Produce a new SLH Business Plan.

Complete the first phase of the Housing Options Study in conjunction with tenants and SLDC and other stakeholders, addressing the financial alternatives to enable us to deliver the services local people want and the provision of new rented homes.

Develop a new communications strategy.

Embed the new risk register and performance management arrangements to support the local implementation of the new regulatory framework for social housing.

### **Link to SLDC Corporate Plan**

Ensure the best use of the council housing stock and estates in partnership with South Lakes Housing

Deliver services that meet the essential needs of residents- homes, warmth, a clean and safe environment and financial assistance where appropriate

### **Progress and achievements in 2010/11**

Developed a vision and an action plan to underpin and provide delivery.

Achieving top quartile performance on many KPI's and a strong performer on areas such as satisfaction and relet times.

New and easy annual report to tenants.

Local service offers in place for tenants to hold SLH to account.

Effective tenant consultation achieved through Housing Options 'drop-in' sessions and the Tenants Conference.

Strong Board who have been able to make tough decisions and who are clear on strategic role and responsibilities.

Robust business and financial planning, which has delivered efficiencies and tasks contained in the annual Delivery Plan.

## 2 Finance, Procurement and Value for Money

### Strategic objectives

To be financially viable and managing risk.

To be highly rated by tenants as providing good value for money.

To provide tenants with a full, transparent and open understanding of the Housing Revenue Account (HRA).

To agree a cautious approach to financial planning with an aim to bolster reserves.

### Key outcomes

SLH overall and individual service costs compare favourably with other similar organisations as demonstrated by the Housemark and other appropriate comparisons.

Complete a schedule of reviews to ensure that all services have been effectively challenged and can demonstrate value for money.

Utilise collective buying power of purchasing consortia to achieve best possible supply terms for products and services and create meaningful partnerships.

Well developed links between activities and costs and effective budget setting with resources following strategy/policy, and reliable financial forward planning.

Status survey shows tenants regards SLH as value for money.

| Our success will be measured by  | Frequency |
|--|-----------|
| Average days taken to pay invoices.  | Quarterly |
| Average days taken to receive payment from debtors.                        | Quarterly |
| By November each year submit return to Inland Revenue and Companies House. | Quarterly |
| Pay statutory creditors by 19 <sup>th</sup> of month.                      | Quarterly |
| Pay minimum percentage of invoice in agreed time period.                   | Quarterly |
| The average weekly cost of management per unit compared to our peers.      | Annually  |
| The average weekly cost of maintenance per unit compared to our peers.     | Annually  |
| Total overhead cost (back office costs) per unit compared to our peers.    | Annually  |
| Number of properties managed per employee (excluding support staff).       | Annually  |

### **Planned service improvement or change**

To lock in savings generated by procurement consortia.

Complete all service reviews to maximise service efficiencies.

Produce long-term Business Planning projections to assess future viability following the outcomes of the Stock Options Project.

### **Link to SLDC Corporate Plan**

The Council demonstrates value for money as a provider, commissioner and enabler of services

### **Progress and achievements in 2010/11**

Generated surpluses and established sound financial position for medium-term.

Established via Housemark benchmarking a low cost good value service throughout the company.

Substantial Assurance achieved on Internal Audit reviews of Payroll function and Housing Rents.

Benchmarking work undertaken on Internal Audit, External Audit and Office Accommodation.

### 3 Staff

#### Strategic objectives

- To achieve excellence in the leadership and management of South Lakes Housing.
- To lead and motivate a team of staff who have the skill and flexibility to deliver the company's objectives.
- To have a supportive, fair working environment in which our workforce reflects our community and where all possible discrimination barriers are removed.
- To support employment opportunities for young people, people with disabilities and the long term unemployed within the local community.

#### Key outcomes

- An organisational structure that is focussed on delivering excellent services to customers.
- Re-accreditation to the Investors in People award.
- An HR strategy, systems and organisational culture that contributes effectively to continuous improvement and achieving strategic priorities.
- Pay and benefits structure that motivates and retains employees and enables the company to remain competitive.
- Well trained staff that are supported to deliver the business objectives of the company within a culture of continuous learning.
- A strong health and safety culture throughout the organisation.
- Staff composition that at all levels reflects the community which we serve and does not discriminate against any person on the grounds of race, ethnic origin, disability, nationality, religion or sexual orientation.
- A variety of employment opportunities offered to young people, disabled people and the long term unemployed.

| Our success will be measured by   | Frequency  |
|---|------------|
| BVPI11a Achieve minimum percentage of females in top percentage of earners. | Quarterly  |
| BVPI12 Keep working days lost at 8 days or below (top quartile 8.34 days).  | Quarterly  |
| BVPI14 Percentage of employees retiring early (excluding ill health).       | Annually   |
| BVPI15 Percentage of employees retiring early (including ill health).       | Annually   |
| BVPI 16a Percentage of employees declaring that they meet the DDA act.      | Annually   |
| Overall % staff satisfaction in Biennial Staff Survey                       | Biennially |

|   |           |
|---|-----------|
| Number of reported accidents resulting in injury. | Quarterly |
| Number of student work placements provided.       | Annually  |
| Number of apprenticeships offered                 | Annually  |

**Planned service improvement or change**

Conduct a review of the company's Organisational Structure ensuring that staff resources are targeted towards front line service delivery.

Achieve re-accreditation of the Investors in People Standard

Complete a full review of the company's lone working policy and procedure.

**Link to SLDC Corporate Plan**

Making South Lakeland the best place to work

Reduce numbers of working age people on out of work benefits

Work with partners to develop the workforce of the district enabling business growth and an increase in average earnings in the district

Develop relationships with local universities and further education establishments

**Progress and achievements in 2010/11**

Completed the delivery of mandatory customer care and equality and diversity awareness training across the whole organisation.

Created a training plan bringing together staff appraisals and performance.

Implemented a Senior Management Training and Development programme.

Implemented a Management Development Programme.

Offered NVQ training to all staff.

Rolled out the apprenticeship programme to all areas of the business.

Implemented a staff mentorship scheme.

Offered employment opportunities to the long term unemployed.

## 4 Information Technology

### Strategic objective

To increase efficiency and productivity through investing in our ICT systems.

To use ICT to improve communication and access to services.

### Key outcomes

Customers will find it easier to access information and use our services through our website.

There will be a faster response to service enquiries, either by telephone or on site through staff having enhanced access to SLH core systems.

We will achieve increased productivity and value for money through ICT.

Better financial management through improved information, controls and security and access by more staff.

Improve financial forecasting and effective asset management.

More focused and responsive services through improved information available to staff on customer profile.

An integrated and coherent ICT solution across all SLH business.

Improved performance management of projects/tasks against deadlines and resource planning, applied at all levels of the organisation.

An integrated view of our whole business and how it is performing providing improved analysis and drilled down capabilities.

| Our success will be measured by   | Frequency  |
|---|--|
| Completed ICT projects by target date.<br>Downtime of core Housing Management system.<br>Downtime of financial system.<br>Downtime of main network. | 6 monthly<br>Quarterly<br>Quarterly<br>Quarterly |

**Planned service improvement or change**

Review of ICT service level agreement.

Participate in the development of Cumbria wide web based CBL system in conjunction with SLDC.

Enhance mobile working, access or input data back to office based systems to improve efficiency, reduce manual input and improve customer service.

Implement document management system to reduce reliance of paper files, improve efficiency and reduce requirements for office space.

Introduce 'self service' for payroll data input.

Complete rationalisation of Microsoft office versions across company

Upgrade exchange server.

**Link to SLDC Corporate Plan**

Improve on line service delivery and deliver more services and information over the telephone.

**Progress and achievements in 2010/11**

Developed an integrated stock condition database/asset management system with data that is accessible and comprehensible.

Integrated gas servicing/asbestos database/linked to responsive repairs.

Introduced an IT based performance management system.

Restructured electronic filing system

Integrated sheltered housing sites onto SLH data and voice networks

Implemented mobile working for Responsive Repairs.

Introduced intranet for staff information and communication.

Migrated servers from SLDC to SLH. SLH staff now fully supporting 90% of core ICT systems.

## 5 Access and Customer Focus

### Strategic objective

To provide a friendly, easy to access service where the needs of the customer are put first.

### Key outcomes

We are easy to contact responding successfully to customer enquiries dealing with most enquiries at the first point of contact.

Information on customer satisfactions routinely collected and monitored for all services and the information is used to identify improvements to service delivery.

Broaden the ways in which our customers can access our service, refocusing services around the needs of the customer.

Provide customers with on line access to information and services.

| Our success will be measured by   | Frequency |
|---|-----------|
| Average number of days taken to respond to complaints.                        | Quarterly |
| Percentage of complaints responded to within target time.                     | Quarterly |
| Average number of days taken to respond to letters.                           | Quarterly |
| Percentage of letters responded to within target time.                        | Quarterly |
| Satisfaction of tenants with the overall service.                             | 2 yearly  |
| Number of Ombudsman enquiries.  | Quarterly |
| Number of upheld complaints to the Ombudsman.                                 | Quarterly |
| Percentage of contact centre calls answered within 15 seconds (5 rings).      | Quarterly |
| Satisfaction levels of customers in getting hold of the right person.         | 2 yearly  |
| The percentage of customers who state we effectively deal with their enquiry. | 2 yearly  |
| Percentage of housing interviews where interviewee waits less than 5 minutes. | Quarterly |

### Planned service improvement or change

Implement an SLH 'STATUS' style tenant survey to gather tenant views on the quality of services and opportunities to take part in decision making.

Implement a new one stop shop service model in Ulverston Town Hall.

Implement an organisational development strategy which focuses resources on customer access and experience with the landlord service.

Develop the 'on-line' service offer.

In consultation with tenants, develop a new set of service standards (called 'service offers') for all services.

### **Link to SLDC Corporate Plan**

To undertake customer profiling to better understand how people need our services to be delivered

Work with partners to implement one stop shop service centres

### **Progress and achievements in 2010/11**

Introduction of a repairs hotline.

Performance monitoring of satisfaction with office interviews and a wider range of services.

Member of staff BSL trained.

Provided computer access in SLH reception areas.

Utilised text messaging for customer convenience.

Developed website to enable repairs reporting and download of forms.

## 6 Equality and Diversity

### Strategic objective

To deliver against the action plan arising from the IDeA peer review which will ensure fairness in all aspects of SLH.

### Key outcomes

To have conducted a review of SLH's documentation and approach to equality and diversity.

To develop a comprehensive Equality Policy and comprehensive Equality Scheme which will detail our commitments and actions in relation to equality and diversity for both staff, community and tenants.

To develop appropriate Key Performance Indicators in relation to protected characteristics (race, gender, disability, religion and faith, sexual orientation and age).

Maintain a comprehensive database on staff and customers profile in relation to the equality groups which is used routinely to identify any issues to accessing services.

Undertake equality impact assessments of policies and procedures and self-assessment across the company.

To develop a consultation and involvement strategy to involve designated community, staff and stakeholder groups in assessment and design of service improvement.

| Our progress will be measured by   | Frequency |
|--|-----------|
| Achieving Excellence level of the Equality Framework for Local Government. | N/A       |
| BVPI 74b – Satisfaction of BME tenants with overall service.               | 3 yearly  |
| BVPI 74c – Satisfaction of non BME tenants with overall service.           | 3 yearly  |
| BVPI 75b – Satisfaction of BME tenants with participation in management.   | 3 yearly  |
| New local indicator – satisfaction of tenants with disabilities.           | 3 yearly  |
| Action Plans drafted as a result of consultation with equality groups      | Annually  |

### Planned service improvement or change

All policy and procedures to be equality impact assessed (EIA)

Progress against EIA action plans to be monitored by SMT and Board.

Create consultation networks including tenants.

Increase monitoring and use of community and tenant profiling to inform service

improvement and delivery.

Capture of sexuality/religion data on staff

Research the housing needs of migrant and faith communities.

Ensure workforce is representative of the whole community.

#### **Links to other strategies/plans**

LAA/Community/Corporate Strategy.

Healthy Communities and Older People Thematics.

SLDC Corporate Plan value: Recognise diversity and promote equality.

SLDC Housing Equality and Diversity Strategy.

#### **Link to SLDC Corporate Plan**

Continue our equality and diversity projects and work towards achieving the 'Excellence@ level of the Equality Framework for Local Government.

#### **Progress and achievements in 2010/11**

Gained 'Achieving' status against the Equality Framework for Local Government.

100% satisfaction with the Aids and Adaptations Service.

Offered long term work placements to people with disabilities.

## 7 Stock Investment and Asset Management

### Strategic objectives

- To deliver the asset management function in line with the agreed investment framework.
- To deliver the best value from a reduction in capital budgets
- To communicate what we can deliver without growth bid approval.

### Key outcomes

- Compliance with statutory health and safety regulations.
- Tenant scrutiny in the planned maintenance and painting programme.
- Preferred option for School Knott Close.
- Delivery of the agreed investment framework.

| Our success will be measured by   | Frequency |
|---|-----------|
| BVPI 63 - Average SAP rating of local authority owned dwellings.                    | Annually  |
| BVPI 184a - Proportion of homes which are non decent.                               | Quarterly |
| Percentage customer satisfaction (excellent/good) with planned maintenance (cumul). | Quarterly |
| Percentage customer satisfaction (excellent/good) gas servicing (cumul).            | Quarterly |
| The percentage of gas appliances serviced on schedule.                              | Quarterly |
| Percentage customer satisfaction with aids and adaptations (cumul).                 | Quarterly |
| Percentage customer satisfaction (excellent/good) gas repairs (cumul).              | Quarterly |
| Tenant audits to ensure improvement works meet agreed standards.                    | Quarterly |
| Number of site incidents, accidents and dangerous occurrences.                      | Quarterly |
| Major and cyclical repairs administration cost per tenancy.                         | Quarterly |
|   | Annually  |

### **Planned service improvement or change**

To complete an asbestos survey and agree a management plan.

To agree an option for School Knott Close so that it delivers housing need in the area.

To complete maintenance and inspection plan for public and communal areas in SLH management.

To deliver low carbon technologies for rural areas and older persons housing.

To achieve best practice in gas servicing.

To agree an investment plan for cyclical painting.

### **Links to other strategies/plans**

South Lakeland Sustainable Community Strategy 2008-2028.

SLDC Corporate Plan 2010-2013.

Cumbria Housing Strategy 2006-2011.

HRA Stock Options Appraisal Report by Tribal, September 2010.

SLH Investment Framework

### **Link to SLDC corporate outcome**

Homes to meet local needs in accordance with the Cumbria Housing Strategy.

Waste reduced as a result of re-using and re-cycling more.

### **Progress and achievements in 2010/11**

Progressed Decent Homes Programme and completed ahead of time and within budget with high levels of tenant satisfaction.

Successful management of changing contractors during economic downturn.

Consortium partnership working on gas servicing, alarms maintenance and aids & adaptations delivery.

Leaseholders and owner occupiers included in external works.

Delivery of the agreed programme of environmental improvements ie MUGAs.

Developed procedure for the implementation of the Commonhold and Leasehold Reform Act 2002 section 20.

Investment Plan in place for next 30 years.

Understanding of the public areas in SLDC/SLH maintenance

## 8 Responsive Repairs

### Strategic objective

To deliver a value for money service that involves and meets needs of the customer and achieves continuous improvement.

### Key outcomes

Improved competitiveness of SLH Maintenance and reduced reliance on external contractors by increasing in-house skills.

Expand business to deliver services in order to generate additional income.

Support for economic regeneration by providing training opportunities for young people.

Improved accessibility to information on location and condition of asbestos.

Removal of all asbestos from void properties.

Meet DHP standard on individual voids through carrying out necessary major works.

| Our success will be measured by  | Frequency |
|--|-----------|
| BVPI 72 – Percentage of urgent repairs completed within govt time limits (cumul).                      | Quarterly |
| BVPI 73 – Average number of days taken to complete non urgent repairs (cumul).                         | Quarterly |
| Percentage of all repairs completed within relevant target time.                                       | Quarterly |
| Number of FTE trades people SLH employs.   | Quarterly |
| BVPI 185 – Percentage of responsive but not emergency repairs where appointment made and kept (cumul). | Quarterly |
| Percentage customer satisfaction (excellent/good) with responsive repairs (cumul).                     | Quarterly |
| Percentage customer satisfaction with re-let service.  | Quarterly |
| Average cost of repair.  | Annual    |
| Tenant audits to ensure all repair and void works meet agreed standards.                               | Quarterly |
| Number of site incidents, accidents and dangerous occurrences.   | Quarterly |
| Percentage of repairs completed 'right first time'.  | Annual    |

### **Planned service improvement or change**

Critically assess financial performance of SLH Maintenance operation and introduce new improvement plan.

Increase financial team support to SLH Maintenance function.

Introduce trading account for SLH Maintenance.

Make progress towards understanding job costs sufficiently to enable SLH Maintenance to compete for external contracts.

Enhance current apprenticeship scheme.

Have regard to HHSRS requirements as part of void inspection process.

Remove open flue appliances from void properties and replace with electric fires.

### **Links to other strategies/plans**

South Lakeland Sustainable Community Strategy 2008-2028.

SLDC Corporate Plan 2010-2013.

Cumbria Housing Strategy 2006-2011.

### **Link to SLDC Corporate Plan**

People's essential needs are addressed through effective public services in South Lakeland

Housing needs in South Lakeland are addressed

The Council demonstrates value for money as a provider, commissioner and enabler of services

### **Progress and achievements in 2010/11**

SLH Maintenance compares with the top 25% of landlords nationally, despite having a reduction in budget.

Workflow scheduling and PDA's introduced.

Voids letting standard within accredited quality system.

System for suited locks on voids property to improve efficiency.

Market tested responsive repairs.

Fuel cards issued to trade staff to improve efficiency.

All vehicles supplied with impressed stock and vehicle tracking.

Rationalisation of stores provision and staffing levels.

Sub-contractor open days to ensure equal levels of service provision.

Methods in place to alert trades staff to presence of asbestos.

Methods in place to alert trades staff of 'challenging tenants'.

Lone worker system in place to improve safety of lone workers.

School work experience programme in place.

All trades staff completed asbestos awareness training.

Apprenticeships completed.

Tenant audit programme in place.

## 9 Allocations, Lettings and Void Management

### Strategic objective

To make best use of the Council's housing stock.

### Key outcomes

Expand choice in allocations.

Improve customer satisfaction with lettings process.

| Our success will be measured by  | Frequency |
|--|-----------|
| Percentage of tenants satisfied with overall re-let service.                           | Quarterly |
| BVPI 212 – Average number of days taken to re-let dwellings (cumul).                   | Quarterly |
| BVPI 69 – Percentage of rent loss through empty properties.                            | Quarterly |
| Percentage of total voids checked by tenant auditors and that are deemed satisfactory. | Quarterly |
| Costs of lettings function compared to peer group.                                     | Annually  |
| Costs of void management compared to peer group.                                       | Annually  |
| Monitoring the diversity of lets.  | Quarterly |
| Percentage of lets made to homeless applicants.  | Quarterly |

### Planned service improvement or change

Implementation of new choice based lettings scheme.

Introduce incentive scheme to encourage tenants to downsize.

**Links to other strategies/plans**

South Lakeland Sustainable Community Strategy 2008-2028.

SLDC Corporate Plan 2010-2013.

Cumbria Housing Strategy 2006-2011.

South Lakeland Older Person's Housing Strategy 2007-2011.

**Link to SLDC Corporate Plan**

Housing needs in South Lakeland are addressed

People in South Lakeland feel more in control of their own lives

Develop initiatives to prevent and reduce homelessness

Ensure the best use of the council housing stock and estates in partnership with South Lakes Housing

**Progress and achievements in 2010/11**

Introduction of Voids Team within SLH Maintenance.

Partner in Cumbria Choice sub regional choice based lettings scheme.

Introduced collection of equality and diversity data on housing application form.

Annual waiting list newsletter sent out to all applicants on the waiting list.

Agreed Quality Lettings Standard with tenants.

Provided training for Tenant Void Inspectors.

Begun removal of all asbestos from void properties.

Introduction of lettings satisfaction surveys.

## 10 Tenancy and Estate Management

### Strategic objective

To contribute to environmental improvements and the reduction of anti-social behaviour in order to create safe, attractive places to live in.

### Key outcomes

Contribute to consistent high standards of maintenance, cleanliness, safety and security on estates.

Improved customer satisfaction with the environment.

To support initiatives which improve car parking provision, clean environments and help tackle problem neighbours.

| Our success will be measured by  | Frequency |
|--|-----------|
| Visit all tenants biennially.  | Quarterly |
| Percentage of anti social behaviour cases investigated within target (cumul).          | Quarterly |
| Percentage satisfied with how ASB complaint dealt with (cumul).                        | Quarterly |
| Number of racial harassment cases.   | Annually  |
| Percentage of racial harassment cases dealt with to the satisfaction of the victim.    | Annually  |
| Number of ABC's signed/ASBO's served.  | Quarterly |
| Number of Injunctions obtained.  | Quarterly |
| Number of demotions.   | Quarterly |
| Removal of offensive graffiti within target time (cumul).                              | Quarterly |
| Percentage of tenants satisfied with the cleanliness and maintenance of estates.       | 3 yearly  |
| Percentage satisfied with estate as place to live.                                     | 3 yearly  |
| Carry out inspections of our larger estates (where SLH manage more than 25 properties) | Quarterly |
| Number of tenants visited within 6 weeks of moving in.                                 | Quarterly |
| Cost of tenancy and estates management compared to peer group.                         | Annually  |

**Planned service improvement or change**

Ensure communal areas in flats are kept clear including regular inspection and enforcement action to meet requirements of fire risk assessments

Improve management of tenancies and estates through review of estates inspection programme.

Review current tenant incentive scheme.

**Links to other strategies/plans**

South Lakeland Sustainable Community Strategy 2008-2028.

SLDC Corporate Plan 2010-2013.

Cumbria Housing Strategy 2006-2011.

**Link to SLDC Corporate Plan**

People in South Lakeland feel safe

Increase in the percentage who are satisfied with their local area as a place to live

Reduce anti social behaviour

Increase percentage of people who believe people from different backgrounds get on well in their local area

Increase understanding of local concerns about anti-social behaviour and crime issues

**Progress and achievements in 2010/11**

Biennial visits introduced.

Participation in local Streetsafe operations arranged by the Police.

Attend monthly CDRP Respect Task Group and Domestic Violence Group meetings.

Partner in Ulverston PACT.

Introduction of SLH Pet Policy.

Introduction of SLH Aids and Adaptations Policy.

# 11 Resident Involvement and Community Development

## Strategic objective

To provide Tenants Committee with the support and resources needed to hold SLH to account.

To increase opportunities for community involvement in decision making which will be reviewed annually by Tenants Committee as part of the District Wide Tenant Participation Agreement.

## Key outcomes

Tenants will tell SLH that they have greater levels of satisfaction with opportunities to take part in decision making.

Tenants will review the arrangements for involvement and scrutiny every year.

Decisions about the future of SLH will have been made with tenants.

The District Wide Tenants Compact (Agreement) will have been revised and fully reflective of the recommendations arising from the 2010 Equality Impact Assessment.

There will be effective communication and fairness with all tenants and leaseholders.

| Our success will be measured by   | Frequency   |
|---|-------------|
| Satisfaction of tenants with opportunities for participation.                                     | 3 Yearly    |
| Satisfaction of BME tenants with opportunities for participation.                                 | 3 Yearly    |
| Percentage of 'service offers' delivered within the Tenant Involvement and Empowerment Standard.. | Annually    |
| Review of the District Wide Tenants Compact (Agreement).  | 3 Yearly    |
| Production of tenant newsletters and an annual report.  | 3 per annum |
| Number of recognised Tenant and Resident Associations holding regular meetings.                   | Quarterly   |
| Number of tenants who are members of Tenant Involvement Club.                                     | Quarterly   |
| Number of training courses/events/support provided for tenants.                                   | Quarterly   |
| Number of mystery shops/tenant audits.  | Quarterly   |

### Planned service improvement or change

Take action to ensure tenants from rural areas and younger tenants are involved.

Take the lead role on the communication and engagement programme to support the outcome of SLDCs Housing Options Study

Provide access to an Independent Tenant Advisor for Tenants' Committee to review the District Wide Tenant Participation Agreement.

Build on existing tenant involvement methods and extend tenant scrutiny arrangements in SLH.

Research why there are lower levels of satisfaction with engagement opportunities and develop innovative solutions including ownership issues.

Deliver an annual report to tenants.

Performance manage the delivery of the Annual Report Action Plan and a process of monitoring the delivery of the 'service offers'.

Ensure SLH is contributing to SLDCs Local Area Partnerships (LAPS).

### Links to other strategies/plans

South Lakeland Sustainable Community Strategy 2008-2028.

District Wide Tenant Participation Agreement 2007-10.

SLDC Corporate Plan 2010-2013.

Cumbria Housing Strategy 2006-2011.

### Link to SLDC Corporate Plan

People in South Lakeland feel more in control of their own lives

Increase percentage of people who feel they can influence decisions in their locality

Work with partners to ensure that everyone has opportunities to participate in culture and the arts, and stay safe healthy and active

### Progress and achievements in 2010/11

Carried out the first phase of the Housing Options Study consultation and communication programme.

Coordinated the delivery of 3 family fun days.

Increased the involvement of young people and people from rural communities that are involved in decision making (see case studies in SLH equality framework self assessment).

Tenants Conference held with excellent feedback from attendees and over half of tenants were 'new to involvement'.

New recruits to Tenants' Committee.

Tenant-led production of the annual report.

SLH tenant newsletter revamped with involvement from Resident Involvement SIG.

## 12 Leaseholder Management and RTB

### Strategic objective

To deliver good quality, value for money services to Leaseholders and providing them with opportunities to participate in developing and monitoring services.

### Key outcomes

Provide leaseholders consistently with up to date and accurate information and monitor satisfaction.

Issue individually tailored leaseholder's bills and statement of account annually.

Support and develop activities of Leaseholder Service Improvement Group.

| Our success will be measured by   | Frequency                         |
|---|-----------------------------------|
| Number of meetings with Leaseholder Service Improvement Group held.<br>Percentage of charges recovered.<br>Leaseholder satisfaction with repairs service. | Quarterly<br>Annually<br>Annually |

### Planned service improvement or change

Implement operational changes following the review of the lease.

Create a leasehold section within PIMMS to include the relevant operational data from the leases.

Incorporate leaseholder participation plan into resident participation strategy.

### Link to SLDC Corporate Plan

The Council demonstrates value for money as a provider, commissioner and enabler of services.

Ensure the best use of the Council housing stock in partnership with South Lakes Housing

Increase percentage of people who feel they can influence decisions in their locality

### **Progress and achievements in 2010/11**

Leasehold Service Improvement Group meetings held quarterly with guest speakers.

Leaseholder guide issued to all leaseholders and welcome pack issued to new leaseholders contains guide, service charter, details of how to get involved in Leasehold Club and gas servicing information.

Lease reviewed at the request of the Leasehold Service Improvement Group, operational changes are planned.

## 13 Housing Income Management

### Strategic objective

To maximise income through the efficient collection of rental income and sundry debts.

### Key outcomes

Maximise rent income and reduce tenant debt.

Achieve top quartile performance on rent collection and arrears collection.

Ensure value for money is demonstrated across the rent collection service.

| Our success will be measured by   | Frequency |
|---|-----------|
| BVPI66a – Proportion of rent collected.   | Quarterly |
| Current rent arrears as percentage of annual debit.   | Quarterly |
| Rent written off as percentage of annual rent roll.   | Quarterly |
| BVPI 66b – Percentage of tenants owing more than 7 weeks rent.                              | Quarterly |
| BVPI 66c – Percentage of tenants served with NOSP for rent arrears during the year (cumul). | Quarterly |
| BVPI 66d – Percentage of tenants evicted for rent arrears during the year (cumul).          | Quarterly |
| Costs of rent arrears recovery compared to peer group.                                      | Annually  |
| Percentage satisfied with how rent arrears dealt with.                                      | Annually  |
| Percentage satisfied with rent payment methods.   | 3 yearly  |

### Planned service improvement or change

Rent collection and Arrears Policy review

Provide debt advice service to tenants with serious arrears

Implement phased introduction of sub-accounts

Carry out Christmas arrears campaign

### Progress and achievements in 2010/11

Rent collection and Arrears Policy review.

Provide debt advice service to tenants with serious arrears.

Use technology to extend service user access to rent account information.

Consider introduction of sub-accounts.

Introduce scanning of documents.

Benchmark service.

### **Links to other strategies/plans**

South Lakeland Sustainable Community Strategy 2008-2028.

SLDC Corporate Plan 2010-2013.

Cumbria Housing Strategy 2006-2011.

### **Link to SLDC Corporate Plan**

The council demonstrates value for money as a provider, commissioner and enabler of services

We will deliver services that meet the essential needs of residents-homes, warmth, a clean and safe environment and financial assistance where necessary.

### **Progress and achievements in 2010/11**

Provided support to residents to pay their rent through offering wide range of payment methods.

Verification training for housing officers.

Review of sign-up procedure to include methods of payment and help with completing housing benefit forms.

Reviewed rent collection and arrears policy and revised current tenant arrears letters.

Concluded doorstep collection of rent.

Set up pilot debt advice service with CAB 2009.

Revised the Former Tenants Arrears Recovery Policy.

Submit court applications on line.

Upgraded Anite to enable rent arrears letters to be generated automatically.

Carried out benchmarking via Housemark.

## 14 Sheltered Housing

### Strategic objectives

To develop and improve services offered to older clients and to ensure their housing needs are identified and met.

To increase independence and choice for older people and their carers.

### Key outcomes

To help increase the amount of people supported to live independently and in a way that safeguards abuse and mistreatment.

To work in partnership with other housing and health colleagues to deliver a joined-up strategy that meets the needs of older people in the future rather than achieving short term savings that have a knock-on effect on other service providers.

| Our success will be measured by   | Frequency |
|---|-----------|
| Personal response to sheltered housing call outs (average time in minutes) – 15 mins. | Quarterly |
| Call centre alarm response percentage within 60 secs (cumul) – 98.5%.                 | Quarterly |
| Percentage receiving their weekly visit.  | Quarterly |
| Percentage contacted every day (unless have asked not to).                            | Quarterly |
| Percentage satisfied with telecare system.  | Annually  |

### Planned service improvement or change

Review Sheltered Housing Service to determine the future direction of this service.

Work with Cumbria County Council & SLDC to review extra care/very sheltered housing.

### **Links to other strategies/plans**

South Lakeland Sustainable Community Strategy 2008-2028.

SLDC Corporate Plan 2010-2013.

Cumbria Housing Strategy 2006-2011.

South Lakeland Older Persons Housing Strategy 2007-2011.

### **Link to SLDC Corporate Plan**

Housing needs in South Lakeland will be addressed.

Make the best use of housing resources

To support independent living for older and disabled people

### **Progress and achievements in 2010/11**

Introduction of pre support plans incorporating a risk assessment for all new potential residents of sheltered housing schemes.

Introduced extra care/very sheltered housing at Birthwaite.

Introduced ICT to all sheltered schemes to improve communication with Scheme Managers.

Achieved Level 'B' Quality Assessment Framework.

All tenants have individual support plans reviewed annually.

Replaced all hardwired dispersed alarms with plug and pay units.

Introduced computers and internet access to all sheltered housing schemes for use for tenants.

Completed first stage of strategic review of sheltered housing.

Re-tendered alarm monitoring service in 2008, resulting in cost savings for tenants

Safeguarding adults training delivered for Scheme Managers.

Introduced Whistleblowing Policy.

Extended use of the Mobile Scheme Managers to cover other Registered Social Landlords sheltered housing schemes.

Extended provision of Telecare to residents of all tenures within the South Lakeland and Barrow Borough Council areas.

## **PART 3 - FINANCIAL PLAN AND RISK MANAGEMENT**

This section of the plan contains the medium term financial projections for the provision of housing and repairs services to South Lakeland District Council. The financial outlook for the Housing Revenue Account for South Lakeland District Council is a deficit position and as such the short term financial plan for South Lakes Housing takes a careful and considered approach.

The final section of the plan outlines how the company manages risk.

# 1 Medium Term Financial Plan

## Background

The Management Fee is subject to annual negotiation and is linked primarily to the availability of resources within the HRA, to stock levels, inflation and the service delivery requirements of the Council which are reflected in our Delivery Plan. South Lakes Housing receives Management Allowances, Repairs Allowances and Major Repairs allowances from the HRA and is also responsible for the provision of the Sheltered Housing function on behalf of the Council.

## Short term financial overview

Our current predictions are that a radical change to the organisation and its' delivery programme will be required within the coming years. The current SLDC Medium Term Financial Plan shows the Housing Revenue Account falling into deficit; this deficit has triggered a review of the strategic options open the SLDC with regard the provision of the housing service.

This business plan is therefore a short term view of the operational financial position of South Lakes Housing. South Lakes Housing is working closely with the Council to fully appraise the options available and to prepare for the intense business planning that will follow the outcome of that project.

## Key assumptions/sensitivities

The financial projections for the company are based on our expectations over a one year period, based on an operational requirements approach, providing a sound base case scenario for the financial modelling of the potential strategic housing options.

The budget process included the following assumptions:

- There are no salary increases other than £250 per employee earning less than £21,000.
- There are no increases to the current establishment.
- That the HRA does not has sufficient capacity to accommodate increases in expenditure any increases in cost will have to be funded through existing Management Fee levels.
- That Repairs Allowances are limited to existing levels and not increased in line with projections.
- That effective cost control is applied throughout operations.

## Medium term financial overview

### SLDC Housing Revenue Account Medium Term financial Plan

|                            | <b>Year<br/>10/11<br/>£'000</b> | <b>Year<br/>11/12<br/>£'000</b> | <b>Year<br/>12/13<br/>£'000</b> | <b>Year<br/>13/14<br/>£'000</b> | <b>Year<br/>14/15<br/>£'000</b> |
|----------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>Income</b>              |                                 |                                 |                                 |                                 |                                 |
| Rent                       | 11,169                          | 11,337                          | 11,620                          | 11,911                          | 12,208                          |
| General Fund Contribution  | 260                             | 263                             | 268                             | 273                             | 279                             |
| Interest                   | 14                              | 14                              | 14                              | 14                              | 14                              |
| Other                      | 122                             | 123                             | 126                             | 128                             | 131                             |
| <b>Total Income</b>        | <b>11,565</b>                   | <b>11,737</b>                   | <b>12,028</b>                   | <b>12,326</b>                   | <b>12,632</b>                   |
| <b>Expenditure</b>         |                                 |                                 |                                 |                                 |                                 |
| Sheltered Housing Top Up   | 130                             | 132                             | 134                             | 137                             | 140                             |
| Supervision & Management   | 3,549                           | 3,582                           | 3,647                           | 3,713                           | 3,781                           |
| Repairs & Maintenance      | 4,407                           | 4,615                           | 6,738                           | 6,873                           | 6,918                           |
| Housing Subsidy            | 3,396                           | 3,559                           | 3,587                           | 3,615                           | 3,642                           |
| Contingency                | 50                              | 50                              | 50                              | 50                              | 50                              |
| <b>Total Expenditure</b>   | <b>11,533</b>                   | <b>11,938</b>                   | <b>14,157</b>                   | <b>14,388</b>                   | <b>14,531</b>                   |
| <b>Surplus / (Deficit)</b> | <b>33</b>                       | <b>(201)</b>                    | <b>(2,129)</b>                  | <b>(2,062)</b>                  | <b>(1,899)</b>                  |
| Opening Balance            | 758                             | 791                             | 590                             | (1,538)                         | (3,600)                         |
| Surplus / (Deficit)        | 33                              | (201)                           | (2,129)                         | (2,062)                         | (1,899)                         |
| <b>Closing Balance</b>     | <b>791</b>                      | <b>590</b>                      | <b>(1,538)</b>                  | <b>(3,600)</b>                  | <b>(5,499)</b>                  |

### South Lakes Housing Budget 2011/12

|                          | <b>2010/11<br/>£'000</b> | <b>2011/12<br/>£'000</b> |
|--------------------------|--------------------------|--------------------------|
| Sheltered Top Up         | 130                      | 132                      |
| Supervision & Management | 2,367                    | 2,391                    |
| Repairs & Maintenance    | 4,407                    | 4,615                    |
| <b>Total Budget</b>      | <b>6,904</b>             | <b>7,138</b>             |

## 2 Managing Performance and Risk

### Performance Management

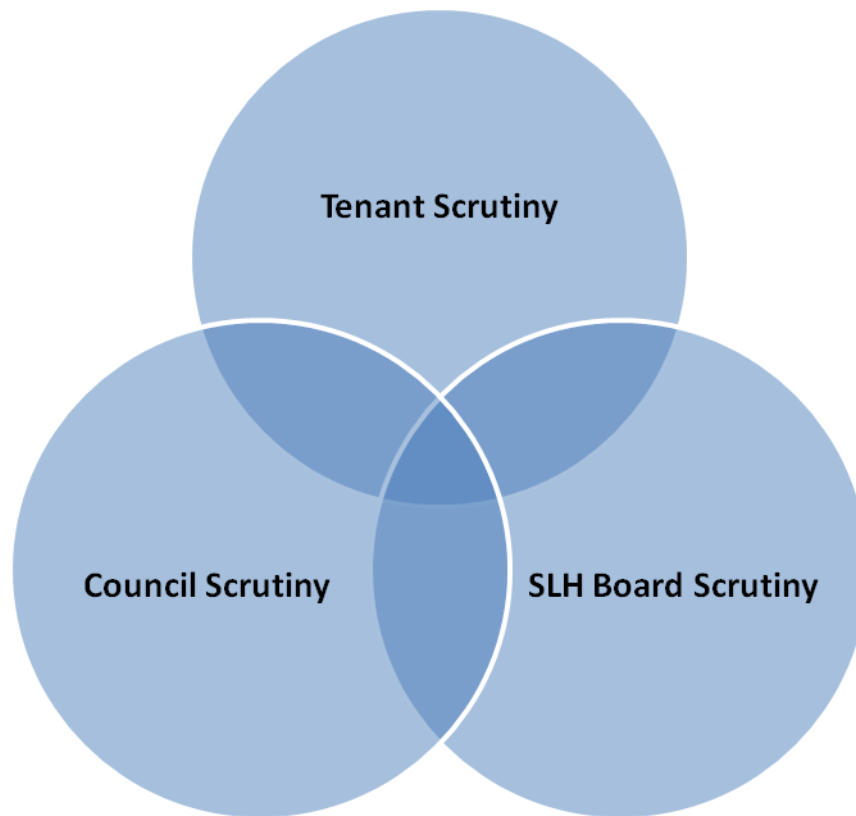
The strategic context section of this Business Plan described the changing nature of the national performance management landscape and the policies SLH were adopting to shift the emphasis back on customer care and on improving satisfaction. The launch of our new service offers with tenants provides the basis for our new performance management framework replacing the document that was adopted in 2007-09.

The framework is a good framework but what matters most is “getting things done” and focusing on customer results. Therefore the effective bits of our old framework (one to one process, team meetings, KPI reporting) will remain but this will be enhanced by additional scrutiny, effective recovery action planning and accountability.

Performance management is about taking action to make outcomes better than they would otherwise be. There are too many resources spent on reporting performance and discussion in meetings rather than taking decisive action to improve outcomes. SLH will therefore implement a ‘performance clinic’ model to challenge poor or stagnant performance and so that recovery action is taken early. Tenants will be at the heart of this new approach.

SLH will wean itself off centrally driven targets and key lines of enquiry (KLoEs) but will continue to comply with the regulatory framework for social housing. The key to this framework is localism and agreeing what matters locally with tenants. Business process re-engineering techniques will be used to help reduce bureaucracy and to maintain the focus on what matters most to tenants. SLH will also rethink its approach to quality and undertake a review of all functions as part of the Efficiency and Reorganisation Plan.

Our new scrutiny arrangements centre upon 3 key building blocks;



### **Tenant-led Scrutiny**

As part of the Government's review of social housing regulation, the Housing Minister has called for the creation of Tenant Panels to undertake the 'consumer protection' elements of the audit function which was previously delivered by the TSA and the Audit Commission.

Locally, we have agreed that the Tenants' Committee can continue to undertake this function ensuring tenant involvement in a range of spending and policy decisions within SLH. The Tenants' Committee secured the services of an Independent Tenant Advisor in late 2010/early 2011 to review the District Wide Tenant Participation Agreement. This calls for greater opportunities for involvement in decision making and a programme of action.

Tenants Committee are keen to make the best use of those that expressed an interest during the latest housing options study. For example, in August 2010, 749 tenants told us that they want to be given the biggest possible say in how their homes and services are run in the future. SLH has created the post of Scrutiny Officer to enable this to happen and will work to the Resident Involvement Service Improvement Group (SIG) to create different involvement opportunities. The SIG will make recommendations to the Tenants' Committee.

## **Board level scrutiny**

The Board and Committee structure provides an appropriate overview of performance and quality. The Policy Committee however should take on an additional performance monitoring role so that it is focused on the things that matter for tenants. The Policy Committee will ensure that outcomes are measurable and objectives are being achieved.

## **SLDC scrutiny**

Councillor Peter Thornton is the Housing and Development Portfolio holder within SLDC with overall responsibility for SLH. The Council receives quarterly performance information on covalent and this is used in Council reports to Cabinet (CPSG) whom scrutinise the performance of the Delivery Plan. Communities Overview and Scrutiny Committee provide further opportunities for SLDC to challenge the performance of SLH. Additionally, strategy meetings take place between officers of SLDC and SLH to agree actions to manage finances, risk and performance.

# **Managing Risk**

## **Business Continuity Management System**

In 2007 SLH introduced a Business Continuity Management System for disaster prevention and recovery. The first step was to fully assess the business needs and the current situation in order to determine the actions necessary to put together effective protection of the critical business services. The resultant plan provides us with the information necessary to:

- (a) Minimise the risk of serious interruption of services;
- (b) Minimise disruption and enable full restoration of services in the event of the unavoidable interruption of those services.

The plan has been tested during the floods on late 2009 and our recovery arrangements were considered strong by stakeholders.

## **Corporate Risk Register**

SLH developed a new corporate risk register in March 2010 and was first reported to Board on the 22<sup>nd</sup> April 2010. Quarterly reported are now presented to Finance and Procurement Committee. The register is reported on SLH's performance management system, called 'covalent' and is also reported to SLDC.

The register contains 12 major risks the company is facing over the short to medium term (next 3 years) can be described as "the things that keep us awake at night" and include;

- SLH Financial Management,
- Sustaining Decent Homes,
- Sheltered Housing Strategy,
- Housing Options,
- New Regulation,
- Competitive SLH Maintenance (opportunity risk),
- Health and Safety,

- Choice agenda; implementation of CBL and 1 stop shops,
- ICT provision,
- Accommodation Strategy,
- Growth (opportunity risks), and
- Business continuity planning.

The three 'red' risks relate to;

- *Sheltered Housing Strategy*: progress has been made with the portfolio scoring which has been reported to Tenants Committee and Board but the risk status remains 'red' and reflects the uncertainty relating to Supporting People (unring fencing of grant, modernisation of adult social care and Comprehensive Spending Review).
- *Housing Options*: although a significant amount of progress has been made relating to the stock condition survey and financial modelling, the status of the risk remains 'red' as the future of the company is still unknown at this stage and is dependent upon the outcomes of tenant consultation, SLDC Full Council decision on 14<sup>th</sup> October and Government policy announcements on the reforms to the HRA.
- *Health and Safety*: reflects the work required to discharge landlord functions in relation to the management of asbestos where there are inadequate levels of resources.

## **Embedding Risk**

Our corporate risk register helps us to manage risk and is embedded into the decision making (e.g. Board reports) and operational processes throughout the company. This is updated on a quarterly basis at Finance and Procurement Committee to reflect emerging risks and to 'downgrade' risks that have been mitigated effectively. This is managed by the Performance Manager.

There is also a staff risk Group which considers operational risks and how the company is required to address risk. The Safety and Quality Manager identifies those risks that need elevating to the corporate risk register. This manager now reports directly to the Performance Manager ensuring an effective control environment and a managed hierarchy of risk.



## APPENDIX 2 – New Coalition’s Value for Money Tool

| <b>HM Treasury Test – SLH self assessment using the Government’s approach</b> |     |   |
|---|-----|---|
| Is the activity essential to meet SLH priorities?                             | Yes | <ul style="list-style-type: none"> <li>Delivering a high quality and cost effective housing service is the mission for company.</li> <li>Repairs service is a priority within SLH Business Plan and Delivery Plan.</li> <li>Housing is a key priority for SLDC.</li> </ul>  |
| Does the Government need to fund this activity?                               | Yes | <ul style="list-style-type: none"> <li>Expenditure comes from national HRA subsidy system which is currently being reviewed by Government.</li> </ul>   |
| Does the activity provide substantial economic value?                         | Yes | <ul style="list-style-type: none"> <li>Maintains the value of the stock.</li> <li>Provides jobs and training opportunities.</li> <li>The responsive repairs provision has a significant role to play in the economic recovery and on the local economy (use of local suppliers, workforce).</li> </ul>  |
| Can the activity be targeted to those most in need?                           | No  | <ul style="list-style-type: none"> <li>Social housing is there for people in most need.</li> <li>Responsive repairs is governed by Right to Repair legislation, some flexibility to reduce level of choice but scarce resources.</li> <li>Current service standards provide a premium service for disabled and elderly (e.g. waiting times/categories for repairs, aids and adaptations, handyperson, flexible appointments, warden service, batched repairs that target most vulnerable).</li> </ul>   |
| How can the activity be provided at lower cost?                               | Yes | <ul style="list-style-type: none"> <li>Tenants do it themselves (health and safety, quality issues).</li> <li>Reduce the quality.</li> <li>Take away repair categories/priority bands.</li> <li>Reduce relet standard.</li> <li>Reduce out of hours.</li> <li>Reduce choice.</li> <li>Remove incentive schemes (e.g. decoration allowances, rewards for leaving property in good condition).</li> <li>Ditch non health and safety areas of work (stick to wind, warm, weather tight approach).</li> <li>Renegotiate Service Level Agreements (SLAs) and procurement deals.</li> <li>Don’t do non essential works.</li> <li>Buy materials cheaper.</li> <li>Re-tender contracts by altering price/quality proportion i.e. not 50%/50% split perhaps 80/20% split in favour of price. Or re-tender specification.</li> <li>Reduce staffing numbers.</li> <li>Reduce overheads e.g. management costs.</li> <li>There are outsourcing opportunities either</li> </ul> |

|  |     |   |
|--|-----|---|
|  |     | in full or part (stores) and also insourcing opportunities (Travis Perkins) but dependent on Board aspirations and capacity to carry risk liability.  |
| How can the activity be provided more effectively?   | Yes | <ul style="list-style-type: none"> <li>• Doing more jobs 'right first time'.</li> <li>• There are opportunities to improve productivity by improving work scheduling, reducing Standard Minute Values (SMVs), and reducing establishment in line with demand.</li> <li>• Increase investment in key areas – technology, training, multi-skilling.</li> <li>• Long term investment (asset management) planning to reduce need for responsive repairs.</li> <li>• Rationalise the service 'offer' – less choice, less waste (bureaucracy).</li> <li>• Diversification (spread overheads by taking on additional services e.g. leaseholders, shared services with Eden.</li> </ul>   |
| Can the activity be provided by a non-state provider or by citizens, wholly, or in partnership? i.e. BIG SOCIETY | Yes | <ul style="list-style-type: none"> <li>• Potential for joint procurement collaboration with local landlords, potential for outsourcing, unrealistic potential locally for citizen ownership with resources or testing appetite.</li> <li>• 'Right to manage' legislation already in place with Tenant Management Organisations (TMOs) and Community Gateway models which provide greater tenant ownership and scrutiny.</li> <li>• National Federation of ALMOs working up a COCO model for delivery ("Community Owned, Council Owned") where the housing stock would remain in council ownership, but the ALMO transferred to the community.</li> <li>• Strong support for greater tenant involvement in management of SLDC stock coming through the first batch of Housing Options Survey returns.</li> </ul> |
| Can non-state providers be paid to carry out the activity according to the results they achieve?                 | Yes | <ul style="list-style-type: none"> <li>• Bonuses and penalties within the contract.</li> <li>• Shared benefits on profits if written into the contract.</li> <li>• Outsourcing was tested in 2006/07. There remains the potential for outsourcing but there are TUPE considerations / pension deficit issues to consider which were barriers last time. Not testing the market now may not stand up to close scrutiny.</li> </ul>   |

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