

Barnet Homes– Q1 2014/15

1.1 DELIVERY UNIT DASHBOARD

	Revenue budget projected year end variance £000	Capital actual variance £000	Corporate Plan Performance	Management Agreement Performance
General Fund – Housing Needs and Resources	604	0	2	6
Housing Revenue Account	(73)	(4,243)		

1.2 TOP ACHIEVEMENTS AND ACTIONS

Top 3 Achievements

The recent council-wide Residents Perception Survey showed a 10% increase in satisfaction with the management of Council Housing, which is now 5% above the London average. A more detailed satisfaction survey of Barnet Homes' tenants and leaseholders will be carried out during the third quarter of 2014/15.

Phase 1 of the first new comprehensive Housing Management system to be implemented for over 20 years in Barnet, went live at the beginning of April. This is the last of five new business systems to be implemented across The Barnet Group. There are a few issues to resolve, usual for such a big IT project, before phase 2 starts in quarter three 2014/15 which focuses on Leaseholders, self-service and mobile working.

A recent Housing Options Benefits Realisation Report identified that the service was performing very favourably when compared to other authorities and noted the innovative and effective procurement of emergency accommodation and private sector properties. It also recognised that the performance of Housing Options has been 'overhauled' over the past two years and noted that the savings required had been delivered and that recent restructures had "put the right people in the right place doing the right things".

Key Escalations	Actions required
<p>Whilst the number of households in Emergency Accommodation (EA) has remained below 500, there is a projected overspend on the General Fund. This is in part a result of the continuing EA and Landlord Incentive cost increases, and in part additional bad debt provision and unforeseen contingency costs.</p>	<p>Level 2 Intervention Barnet Homes will work closely with LBB Finance and others to provide a full analysis report to the August Performance Review Meeting with LBB Commercial Services.</p>
<p>There is a high number of households in Emergency Accommodation where enquiries are pending or who have been found to be intentionally homeless.</p>	<p>Level 1 Intervention. This is a new indicator for 14/15. Barnet Homes will provide a full report for the next regular monthly performance review meeting with LBB Commercial Services.</p>
<p>Tenant and Temporary Accommodation arrears have increased and are out of target.</p>	<p>Level 1 Intervention Barnet Homes will provide an update to the monthly performance review meetings with Commercial Services.</p>

1.3 SUMMARY OF THE DELIVERY UNIT'S PERFORMANCE

General Fund financial pressures continue as the number of initiatives such as direct-let and leasing schemes increase, and the market costs of dealing with Homelessness and providing Emergency Accommodation continue to increase, even though numbers have been contained. The projected year-end variance takes account of a prudent assessment of additional costs. A more detailed analysis will be carried out and a full update provided for quarter 2.

This is the first report to the new Delivery Plan which was agreed with Barnet Homes for 2014/15, with a revised set of performance indicators which focus on the areas of greatest risk for the Council. Barnet Homes continues to deliver services well and overall, 71% of targets have been met. There continue to be no families placed in Bed and Breakfast and the numbers in self-contained Emergency Temporary Accommodation have been maintained below 500. Gas Servicing has improved following the start of the replacement contractor in April, with only 4 outstanding, and is expected to be top quartile when benchmarking data for Q1 is released.

The introduction of the new IT system in April led to some delays in data transfer, affecting finance data in particular. This is a contributory factor this quarter to the below-target performance for income collection, along with the usual income shortfall associated with the start of the new rent year as adjustments are made to payment arrangements. A clearer picture is expected to be provided in Quarter 2.

2. DELIVERING THE CORPORATE PLAN

2.1 How the Delivery Unit is performing against its Corporate Plan indicators

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking ¹
8001 (a)	Reduce the number of households placed in emergency accommodation to 500	Apr-Jun 2014	471	500	N/A	486	2.8%	▼ 3.2%	Barnet is in the bottom quartile for Households in Emergency Accommodation. Between Q3 and Q4 13/14, Barnet improved its ranking from 28th to 23rd in London (including City of London). Across London there was a 7% increase in households in EA, whereas in Barnet there was a 14% decrease.
8001 (b)(i)	Increase the number of Private Rented Sector lettings achieved to 315	Apr-Jun 2014	62	79	N/A	106	34.2%	▲ 71%	Local Indicator. No Comparable Data

*The relevant previous outturn used will either be the previous quarter, or the same quarter of the previous year. The same quarter of the previous year will be used for annual indicators, cumulative indicators (where the numbers add up during the year and are reported as 'year to date') and if the indicator is affected by seasonal fluctuations.

While Barnet continues to have one of the highest levels of households in Emergency Accommodation, relative performance has improved and numbers remain within target following previous intervention actions.

The previous CPI 8001b – Reduce the average length of time spent by households in emergency accommodation (EA) – has been replaced with 8001 (b) (i). This is because a) all EA used is self-contained and provides appropriate accommodation suitable for the needs of those placed there; b) the more recent placements are at a higher cost to the Council reflecting the current London housing market; and, c) efforts are focused on preventing people going into high cost EA as a priority and on securing additional suitable private sector longer-term lettings which are more affordable for the Council and the households concerned. This indicator has therefore been replaced by the total number of Private Rented Sector lettings achieved which better measures the performance of Barnet Homes in addressing the pressures of rising demand for homeless accommodation.

¹ Homelessness benchmarking data is taken from statistical returns provided by individual Councils to the Department for Communities and Local Government (P1E returns). Further information can be found at: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-homelessness>

2.2 Interventions & Escalations

There are no CPI interventions or escalations this quarter.

3. CONTRACT REPORTING

3.1 Overview of performance against Delivery Plan

Total No. of KPIs	RAG ratings				Positive/neutral DoT	Negative DoT	No. of indicators expected to report this quarter
	Green	Green Amber	Red Amber	Red			
13	8	1	1	2	6	6	12

A new Delivery Plan was agreed with Barnet Homes for 2014/15, with a revised KPI suite. This reduced the number of KPIs from 24 to 13.

3.2 How is the Delivery Unit achieving against its Key Performance Indicators (KPIs): *Escalated KPIs only*

KPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking ²
BH004	Percentage of those households in EA pending enquiries or found to be intentionally homeless	Apr-Jun 2014	41.1%	37.0%	$\frac{173}{427}$	40.5%	9.5%	▲ 1.4%	Comparing Q3 and Q4 13/14, Barnet has improved its ranking from 30th to 27th in London (including City of London).
BH007	Current arrears as percentage of debit	End June 2014	2.40%	2.83%	$\frac{1,800,503}{59,108,708}$	3.05%	7.6%	▼ 26.9%	Barnet continues to be in the second quartile in London (Q4 13/14)

² Housing Management benchmarking is based on Housemark data for all London Housing Organisations. Further information can be found at: <http://www.housemarkbusinessintelligence.co.uk/data>

BH008	Temporary Accommodation arrears as percentage of debit	End June 2014	3.93%	4.60%	<u>831,696</u> 14,981,643	5.55%	20.7%	▼ 41.3%	Local Indicator. No Comparable Data
BH012	Gas servicing completion	End June 2014	99.74%	100%	<u>8,887</u> 8,891	99.96%	0%	▲ 0.2%	Barnet remained in the lower quartile (Q4 13/14). Length of time CP12s outstanding: 0-10 wks: 2; 10-20 wks: 0; 20-30 wks: 0, 30+ wks: 2. Total: 4.

3.3 Interventions & Escalations

KPI NO and title	Comments and Proposed Intervention
BH004 Percentage of those households in EA pending enquiries or found to be intentionally homeless	Level 1 Intervention. This is a new KPI for 2014/15. Performance is in the bottom quartile compared to London authorities. Barnet Homes will provide a full report to the regular monthly performance review meetings with LBB Commercial Team.
BH007 Current arrears as percentage of debit	Level 1 Intervention This target has been affected by delays in data transfer after the introduction of the new IT system in April. This is a contributory factor, along with the usual income shortfall associated with the start of the new rent year as adjustments are made to payment arrangements. A clearer picture is expected to be provided in Quarter 2.
BH008 Temporary Accommodation arrears as percentage of debit	Level 1 Intervention This target has been affected by delays in data transfer after the introduction of the new IT system in April. This is a contributory factor, along with the usual income shortfall associated with the start of the new rent year as adjustments are made to payment arrangements. A clearer picture is expected to be provided in Quarter 2.
BH012 Gas servicing completion	Level 1 Intervention Performance has continued to improve following the commencement of the new contract. The numbers outstanding have reduced from 23 at Q4 13/14 to 4 at Q1 14/15, which is expected to be within the top quartile when benchmarking data for Q1 is released. While achievement to target is very high, the target is set at 100% reflecting the importance of ensuring gas safety compliance. This will continue to be monitored closely.

4. RESOURCES AND VALUE FOR MONEY

4.1 Revenue

General Fund

This is the cost to the Council of providing the Homeless and Housing Options service managed by Barnet Homes. The budget was increased in Q4 2014/15 to pay for the increased costs of Temporary Accommodation, including cash incentives to landlords.

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
Barnet Group	3,338	4,254	4,858	604	A pressure is expected related to temporary accommodation procurement in 14-15. The demand for night purchasing is increasing in volume as well as price despite a number of mitigations to reduce costs.	14.2%
Total	3,338	4,254	4,858	604		14.2%

Housing Revenue Account (HRA)

This is the cost to the Council of providing the landlord services to the 15,000 Council tenants and leaseholders, managed by Barnet Homes. The HRA is a ring-fenced account for spending and income related to the management and maintenance of the council-owned housing stock.

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q1 Forecast	Variation		
	£000	£000	£000	£000		
LBB Retained	175	175	0	(175)	Underspend due to staff transfer to RE. The budget will be utilised elsewhere in the HRA	-100.0%
HRA Regeneration	1,126	1,126	1,125	(1)	This is additional costs related to incentive payments to assist tenants to down-size, for the more effective management of the housing stock.	0.0%
HRA Other Income and Expenditure (net)	1,549	1,549	1,652	103		-6.6%
Support Service recharges	576	576	576	0		0.0%
Interest on Balances	(80)	(80)	(80)	0		0.0%
HRA Surplus/Deficit for the year	(3,346)	(3,346)	(3,346)	0		0.0%
Total	0	0	(73)	(73)		-100.0%

4.2 Capital

This is the General Fund budget for refurbishment work to hostels, managed by Barnet Homes.

	2014/15 Latest Approved Budget	Additions/ (Deletions) - Quarter 1	(Slippage) / Accelerated Spend - Quarter 1	2014/15 Budget (including Quarter 1)	Forecast to year-end	Variance from Approved Budget	% slippage of 2014/15 Approved Budget
	£000	£000	£000	£000	£000	£000	%
Housing – General Fund	294	-	-	294	294	-	0.0%
The Barnet Group	294	-	-	294	294	-	0.0%

Housing Revenue Account

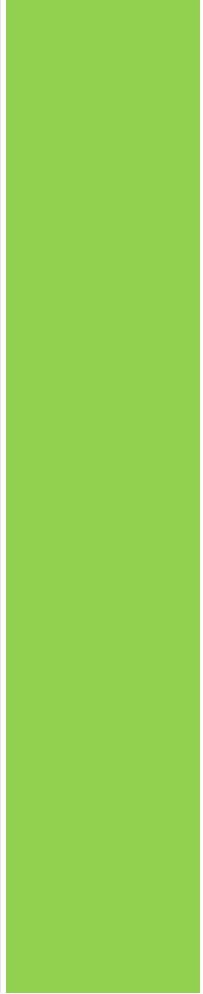
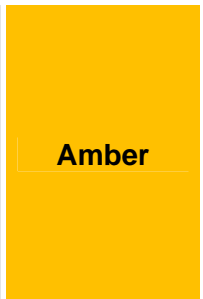
This is the HRA contribution to the investment programme including new build, elec and other major work to the 1500 properties managed by BH.

	2014/15 Latest Approved Budget	Additions/ (Deletions) - Quarter 1	(Slippage) / Accelerated Spend - Quarter 1	2014/15 Budget (including Quarter 1)	Forecast to year-end	Variance from Approved Budget	% slippage of 2014/15 Approved Budget
	£000	£000	£000	£000	£000	£000	%
Housing Revenue Account	37,664	-	(4,243)	33,421	33,421	(4,243)	-11.3%
Housing Revenue Account	37,664	-	(4,243)	33,421	33,421	(4,243)	-11.3%

5. OVERVIEW OF DELIVERY UNIT

5.1 2014/15 Change projects as agreed in the Delivery Plan

Project	Outturn	Direction of Travel	Commentary
<p>New Build 38 Additional new build homes by March 2016</p> <p>Increasing housing supply, including family accommodation and wheelchair homes</p>	Green		4 planning applications are due to be considered by the planning committee on the 30th July, 2 further application due to go to the planning committee on the 17th September
<p>New Business and Development Prospectus Develop growth opportunities for the Group that support LBB in delivering against their priorities and contribute towards delivery of the Group new business strategy and business plan growth targets</p>	Amber		<p>A Pipeline of 100 units developed and discussions held with the Greater London Authority in respect of grant opportunities for these units. A business case is being created to create a registered provider (RP) within the Barnet Group to enable wider development opportunities and is due for completion in September.</p> <p>The Barnet Group provided a prospectus for LBB in February 2014. They are awaiting feedback in respect of the opportunities proposed to enable a business case to be developed. This includes new build as several new build opportunities were also identified.</p>
<p>TBG Asset Management Strategy Develop agreed framework for stock capital investment to support the HRA business plan including an agreed approach towards assessing asset value</p>	Amber		<p>The Strategy has been written and agreed by Barnet Homes Exec team & Barnet Homes Board.</p> <p>A Net Present Value report was presented to LBB in June 2014. Barnet Homes are awaiting LBB response.</p> <p>A Capital programme review is due to be completed in October 2014</p>
<p>Homelessness and Emergency Accommodation To reduce homeless demand through enhanced prevention</p> <p>To increase supply of affordable</p>	Green		<p>Service Review of Housing Options implemented – recruitment of staff with the right skills and knowledge underway</p> <p>Mitigating actions in place outcomes to date have resulted in the following outcomes:</p> <ul style="list-style-type: none"> Let2Barnet continues to be a success with a total of 106 direct-lets carried out in Q1. 17 of these have been successful lettings outside London.

<p>accommodation</p> <p>To implement the LBB Placements Policy</p> <p>To reduce the costs of ETA to the Council</p>			<ul style="list-style-type: none"> • 11 New Private Sector Lease (PSL) acquisitions and 25 lease retentions in Q1. There are a total of 29 new PSL acquisitions in the pipeline • 26 out of London TA acquisitions were delivered in Q1 with licenses agreed for properties in areas such as Basildon, Southend and St Albans. • Privately Managed accommodation (PMA) acquisition has been slow, with only 5 new units acquired in Q1, however rates have been re-negotiated with one partner Registered Providers (RP) and a new RP partner has recently been sourced to help increase supply. • Since December 2013 the number of households in emergency accommodation has consistently remained below 500. By the end of Q1 there were 486 households in emergency accommodation • Homeless preventions are above target with 192 for Q1. • Consistent private sector procurement has helped with 78 homeless preventions in Q1. • Sustainment in the home has been a challenge but will improve as newly appointed housing needs officers and the recruitment of tenancy sustainment officers will give greater capacity for prevention work. <p>The established prevention roles of Youth Mediation continues to do well with 23 preventions in Q1 with 7 added by the DV and Sanctuary Co-ordinator.</p> <p>The Benefit Cap Task Force continues to sustain people in the home by getting them into employment and out of the cap and helping with Discretionary Housing Payments (DHP's) with 28 in April and May with figures for June still to be added once verification comes from the Job Centre Plus (JCP)..</p>
<p>All Systems Go</p> <p>Upgrade and streamline IT systems</p> <p>Improve customer access to services using self service</p> <p>Improve customer resolution at first point of contact</p>	 <p style="text-align: center;">Amber</p>		<p>Go live of the new housing management system from April to June has caused delays on the mobile working pilot and web portal. Clearvale (intranet), Covalent (business intelligence), iTrent (HR), Integra (finance) and QL (CRM & Housing Management) are all live with Integra and QL phase 2 commencing shortly which will deliver added functionality and service improvement.</p>

To reduce costs by delivering efficiencies to processes and working practices within the mobile workforce.			
<p>Moreton Close and Adult Social Care To address the current shortfall in extra care dwellings within the housing stock</p> <p>To address the need for Extra Care Housing for Barnet residents, particularly those with dementia</p>	Green		Subject to approval, and detailed discussions with the planning service, a planning application will be submitted in January 2015 Start on site September 2015. Completion April 2017
<p>Dementia Support to people at early stages of Dementia</p>	Green		An initial meeting of the Steering Group was held in April 2014 and the next meeting has been arranged for 28 th July and training for frontline staff is being sourced.
<p>Training & Employment Working with partners to deliver training & volunteering opportunities that help customers to find employment.</p> <p>Deliver in-house employment opportunities via apprentice, graduate and intern programmes</p>	Green		Wider review of training and employment offers is taking place informed by the STATUS survey and business priorities. 2013/14 annual report will also evidence the costs and benefits of Barnet Homes work Proposal for apprentices & work experience programme is to go to Barnet Homes Executive team this month

5.2 Risk Overview

The following is the 5 X 5 matrix 'heat map' highlighting the number of risks at a Directorate Level and where they are currently rated:

PROBABILITY	SCORE	IMPACT				
		1	2	3	4	5
		Negligible	Minor	Moderate	Major	Catastrophic
5	Almost Certain	0	0	0	0	0
4	Likely	0	0	0	1	0
3	Possible	0	0	1	0	0
2	Unlikely	0	0	1	0	0
1	Rare	0	0	0	0	0

Risk Commentary for Delivery Unit:

There is currently one risk rated at 12 or above as detailed below.

This Risk has been uprated from 12 as reported at Q4 2014/15.

Risks continue to be reviewed monthly at Performance Review Meetings with LBB.

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Board Assurance (timing)	Target Assessment Impact Probability Rating		
	Major 4	Likely 4	High 16				Likely 4	Minor 2	Medium High 8
<p>ORG0039 Homelessness: There is a risk that homelessness and the subsequent provision of short term temporary accommodation will continue to rise.</p> <p>Cause: The Council has an obligation to house people that are homeless and support families who are intentionally homeless. Unemployment, economic downturn exacerbated by welfare and benefit reform and high market rents are the primary causes of homelessness, increasing gap between temporary accommodation subsidy rates and cost of the accommodation. Increasing the demand for housing and putting pressure on the supply of affordable housing.</p>				<p>Barnet Homes has established a project board including the lead Commissioner and Contract Manager to oversee the delivery of a range of interventions to boost supply and reduce demand.</p> <p>Mitigation actions are being implemented and reviewed on a regular basis.</p> <p>While mitigation actions are on track, the latest financial report has highlighted a significant increase in costs.</p> <p>Barnet Homes is working with LBB to assess these cost pressures and to understand their impact.</p>	Treat	Quarterly			

5.3 Equalities

Equalities description	Comments and Proposed Intervention
<p>Reduce average length of time in emergency/ B&B accommodation to 26 weeks analysed by protected characteristics.</p> <p>Placement of housing applicant into accommodation by type and location to be monitored by protected characteristics comparing full year breakdown of New TA admissions, Emergency TA and Non-Emergency TA over 12/13 to 13/14</p>	<p>There has been a slight increase in the proportion of black tenants in ETA (25% vs. 21% in Q1 13/14 and 23% in Q4 13/14) however there are no significant changes in the average time spend in ETA. Barnet Homes still need to undertake more thorough analysis looking at family size and bedroom requirements against ethnicity to see if specific groups have a demand for larger accommodation, which is more difficult to source. They hope to complete this analysis during the current quarter.</p> <p>There has been a slight decrease in age profile with 76% of tenants under 44 vs. 81% in Q1 13/14. Again there are no significant changes in the average time spent in ETA in comparison to the equivalent period in the previous year.</p> <p>There has been an improvement overall in data collection with less customers as not stated / unknown. We will continue to work on improving this.</p>

5.4. Customer Experience

Report from Barnet Homes					
	Numerator	Denominator	Result	Target	Traffic Light
Contact Centre Telephone % Satisfied Customers	640	700	91.4%	70.0%	Green
% Calls Answered in 20 Seconds (Contact Centre)	12865	24761	52.0%	80.0%	Red
Contact Centre Face to Face Wait Time	11981	1832	6.5	10.0	Green
Housing Options Face to Face Wait Time	32320	3818	8.5	10.0	Green

Customer Satisfaction with Face to Face - Barnet Homes	201	235	85.5%	70.0%	
Customer Satisfaction with Face to Face - BH Housing Options	224	307	73.0%	70.0%	
% FOI enquiries responded to in time	22	22	100.0%	100.0%	
% complaints resolved at stage 1	182	204	89.2%	93.0%	
% VIPs responded to in time	80	80	100.0%	100.0%	

Appendix

KPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
BH001	Families in Bed and Breakfast for longer than 6 weeks	End June 2014	0	0	N/A	0	N/A	↔ 0%	Barnet remains in the top quartile in London (Q4 13/14)
BH002	Percentage of statutory homeless appeals completed on time	Apr-Jun 2014	100%	100%	$\frac{59}{59}$	100%	0%	↔ 0%	Local Indicator. No Comparable Data
BH003	Total number of homeless preventions completed	Apr-Jun 2014	894	175	N/A	192	9.7%	▼ 78.5%	Annual benchmarking data for 2013-14 has not yet been released. In 12/13, Barnet was in the third quartile.
BH005	Average days to re-let empty properties	Apr-Jun 2014	18	21	N/A	19	10%	▼ 5%	Barnet remains in the top quartile (Q4 13/14)
BH006	Major Works Voids: Percentage of dwellings that are vacant but unavailable to let due to major works- General Needs	Apr-Jun 2014	0.14%	0.15%	$\frac{13}{10,239}$	0.13%	15.4%	▲ 11.2%	Benchmark ³ data is unavailable at present

³ Housemark is currently refreshing their benchmarking data.

KPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
BH009	Percentage of annual leasehold service charge collected including arrears brought forward	Apr-Jun 2014	21.5%	25.1%	$\frac{976,873}{3,728,521}$	26.2%	4.4%	▲ 22%	Benchmark data is unavailable at present
BH010	Responsive repairs satisfaction	Apr-Jun 2014	97.0%	77.0%	$\frac{1,091}{1,141}$	95.6%	24.2%	▼ 1.4%	Barnet is in the second quartile (Q4 13/14)
BH011	Percentage of estates rated as 3 or 4 (satisfactory or very good)	Apr-Jun 2014	95.98%	82.25%	$\frac{15}{15}$	100%	21.6%	▲ 4.2%	Benchmark data is unavailable at present