

	<h2>Housing Committee</h2> <h3>27th APRIL 2015</h3>
<p style="text-align: right;">Title</p>	<p>Barnet Homes Delivery Plan 2015/16</p>
<p style="text-align: right;">Report of</p>	<p>Commissioning Director Growth and Development</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix : Barnet Homes 2015-16 Delivery Plan</p>
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<h2>Summary</h2>
The report sets out the Services to be delivered by Barnet Homes in 2015/16.

<h2>Recommendations</h2>
1. That the Committee note the Delivery Plan for Housing Management and Housing Options Services for 2015/16.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Committee in February 2015 resolved
- That the Committee approve the extension of the Management Agreement with Barnet Homes for a further year from 1 April 2015 to 31 March 2016, subject to approval by the Social Housing Regulator, acting on behalf of the Secretary of State.
 - That the Committee approve the development with Barnet Homes of a refreshed Delivery Plan for Housing Management and Housing Options

Services for 2015/16, to be submitted for Housing Committee approval in April 2015.

- That the Committee approve the approach adopted to review housing services, as set out in section 6, and receive a further report at a future meeting on the preferred option(s) for future delivery.
- 1.2 This committee is asked to note the Delivery Plan for Housing Management and Housing Options Services for 2015/16, attached at Appendix 1.

2. BACKGROUND

- 2.1 Barnet Homes is an Arm's Length Management Organisation (ALMO), a not-for-profit company, part of The Barnet Group which is wholly owned by the Council. It was established in 2004, following a stock options appraisal in accordance with government requirements, to provide a delivery vehicle to improve the condition of the Council's housing stock through the Decent Homes programme.
- 2.2 The 10-year Management Agreement with Barnet Homes ended in March 2014. It has since been extended to March 2016.

3. REASONS FOR RECOMMENDATIONS

- 3.1 The ending of the current 10-year Management Agreement has provided the opportunity for the Council to review what it wants the Housing Services to deliver to meet its corporate objectives, and to consider the most appropriate delivery model for new housing functions and services.
- 3.2 Officers are currently working with The Barnet Group through a series of challenge workshops to develop a new long term agreement for Housing Services.
- 3.3 The Delivery Plan at Appendix 1 enables the continuation of the ALMO in its current form with a clear set actions, commitments and measures to delivering the relevant sections of the Housing Commissioning Plan in 2015/16.

4. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 4.1 Officers have identified that there is no requirement for the Delivery Plan to be approved by Housing Committee. The Plan is therefore submitted for noting only. The alternative of not having a Delivery Plan was effectively ruled out by the 2 February Housing Committee decision.

5. POST DECISION IMPLEMENTATION

- 5.1 Officers will continue to work with The Barnet Group to provide a clear longer-term specification of the Housing Services to be provided in support of the

Housing Strategy and Commissioning Plan. Officers will also challenge Barnet Homes through a series of workshops to demonstrate the added value that the ALMO can bring in the delivery of the specified housing services in the future.

- 5.2 The outcome will be a report to the June Housing Committee setting out the scope and Heads of Terms for new Management Agreement with Barnet Homes for consultation with residents and a more detailed submission to the October Housing Committee for approval.

6. IMPLICATIONS OF DECISION

6.1 Corporate Priorities and Performance

- 6.2 As a not-for-profit company fully-owned by the Council, the ALMO provides the benefit of management focused on housing services, a commitment to resident involvement, strong links with the local area, a fixed geographical focus, and close partnership working with the Council and other stakeholders.
- 6.3 Barnet Homes has successfully delivered improvements to the stock and services, whilst ensuring that any surpluses in its operating budgets are available to return to the Council.
- 6.4 The inclusion of the housing options service has enabled the provision of a more holistic and customer-focused housing services for those who are most in need and support for young people and households to become more independent, a key element of the Corporate Plan priority to support families and individuals that need it.
- 6.5 Barnet Homes and the Barnet Group are in a potentially pivotal position to transform services to contribute to the strategic objectives and the financial position of the Council.
- 6.6 Opportunities exist for Barnet Homes to be more involved in complementary policy agendas building on the existing joint working with the Council on welfare reform. This includes help into work, digital inclusion, health and social care, as well as potentially offering out their management services for example into private rented stock and building new properties either alone or as part of a joint venture. This could make a crucial contribution to Council priorities in the future.
- 6.7 The challenges are the need to deliver efficiencies and value for money within a balanced Housing Revenue Account, to maintain and improve existing services, to support general fund savings, and to demonstrate suitable

capacity and skills within the ALMO to deliver the Council's housing priorities for the future.

6.8 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

6.1 Barnet Homes currently receive £29.045m to cover management costs for their assigned housing functions and the management of the HRA. The existing costs within Barnet Homes are sufficiently covered by the current annual budget provided to them.

6.2 Barnet Homes have reduced their general fund management costs by £0.3m in 15/16 due to the prior closure of Barbara Langstone hostel. They have also committed to delivering £4.2m HRA savings from the HRA management fee over a 5 year period. This will be achieved through a variety of efficiencies, driven by a transformation programme. These savings are reliant upon a delivery plan and may need to be amended to reflect its implementation covering the period up to 2019/20. The achievement of the savings will be closely monitored to ensure they are delivered.

6.3 **Legal and Constitutional References**

6.4 The Local Authority has provided the necessary authority to extend the agreement with Barnet Group Ltd, and the consent of the Homes and Communities Agency was obtained on 19 March 2015.

6.5 The Constitution, Annex A To Responsibility for Functions - Membership and Terms of Reference of Committees and Partnership Boards' sets out the responsibilities of the Housing Committee which includes responsibility for:

“Housing strategy (incorporating homelessness strategy): Work with Barnet Homes, RSLs and social housing providers to ensure the optimum provision of housing and associated facilities for those who require social housing.

To approve any non-statutory plan or strategy within the remit of the Committee that is not reserved to Full Council or Policy and Resources.”

6.6 **Risk Management**

6.7 The extension of the current Management Agreement for a further year enables stability while providing a platform for the development of longer term arrangements. The 2015/16 Delivery Plan ensures fit for purpose interim arrangements.

6.8 **Equalities and Diversity**

6.9 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups

6.10 The Barnet Group operates an equalities strategy which fully supports the Council's equalities aims and principles.

6.11 The aims of the review include providing support to vulnerable people.

6.12 Equalities Impact Assessments will be included as part of the corporate project management methodology.

6.13 **Consultation and Engagement**

6.14 A clear preferred option for future long term arrangements will be recommended to Committee members in June 2015.

6.15 The outcomes from the review will determine the nature and extent of the consultation and engagement required.

7. **BACKGROUND PAPERS**

7.1 Agenda and draft minutes Housing Committee February 2015:

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=699&MId=7937&Ver=4>