



## LBB Housing Committee

26 June 2017

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| <b>Title</b>                   | <b>Barnet Homes 2017/18 Delivery Plan</b>  |
| <b>Report of</b>               | Commissioning Director Growth and Development  |
| <b>Wards</b>                   | All  |
| <b>Status</b>                  | Public   |
| <b>Urgent</b>                  | No   |
| <b>Key</b>                     | Yes  |
| <b>Enclosures</b>              | Appendix 1 - Barnet Homes 2017/18 Delivery Plan  |
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## Summary

Barnet Homes a subsidiary of The Barnet Group, is a key partner for the Council in delivering the Corporate Plan and the strategic priorities of the Housing Committee of:

- Increasing the housing supply
- Delivery of homes that people can afford
- Sustaining quality, particularly in the private rented sector
- Tackling homelessness
- Providing suitable housing to support vulnerable people
- Maximising the amount of money to invest in delivering new homes
- Delivering efficient and effective services to residents

The Barnet Homes management agreement with the Council requires the development of an annual delivery plan in order to outline the required outcomes and targets for each service year of the agreement.

The Barnet Homes 2017/18 delivery plan at appendix 1 provides information as to the outcomes achieved in 2016/17 against each of the Housing Committee's priorities along with setting out the commitments, challenges, risks and key performance measures and targets for the 2017/18 year.

## **Recommendations**

### **1. That the committee note and approve the Barnet Homes 2017/18 Delivery Plan**

#### **1. WHY THIS REPORT IS NEEDED**

- 1.1 The Housing Committee approved the Heads of Terms for the new 10 year Barnet Homes Management Agreement at the June 2015 meeting. Following this the Management Agreement was finalised and commenced in April 2016. The Management Agreement requires that an Annual Delivery Plan is produced between the Council and Barnet Homes outlining the required outcomes and targets for each service year of the agreement.
- 1.2 In accordance with the Housing Committee terms of reference, the Committee is required to review and approve the content of the delivery plan in order to ratify the proposed commitments and outcomes and their alignment with the strategic priorities of the Committee. Ongoing oversight of performance against commitments and outcomes will be provided by the Performance and Contract Management Committee.

#### **2. REASONS FOR RECOMMENDATIONS**

- 2.1 As evidenced in the delivery plan, Barnet Homes' performance against target in 2016/17 has been to a good level. In terms of core housing management services, this can be further evidenced by extremely positive results in relation to comparative performance on both cost and resident satisfaction through industry benchmarking.
- 2.2 The delivery plan sets out a series of challenging commitments and outcomes for the 2017/18 year which will deliver improved results from Barnet Homes from the previous year for the Council and its residents.

#### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 The requirement for having an annual delivery plan is a contractual one and alternative options were not considered, however, the process for agreeing the commitments and outcomes and their respective targets outlined in the delivery plan has been subject to significant review by the Council.

#### **4. POST DECISION IMPLEMENTATION**

- 4.1 Barnet Homes' performance against the delivery plan will be monitored through the Performance and Contract Committee.
- 4.2 As outlined in section 1.2 above, an annual review of the delivery plan will be completed ahead of the 2018/19 financial year and a revised version submitted to the Housing Committee for approval.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

- 5.1.1 Barnet Homes has a successful track record of delivering improvements to the housing stock and housing services and of both high quality performance outcomes and customer satisfaction levels. Barnet Homes and the Barnet Group are therefore in a good position to continue to manage and deliver services to contribute to the Council's strategic objectives.
- 5.1.2 Barnet Homes is involved in complementary policy agendas. Community development work is an important part of the housing portfolio, for example; activities such as implementation of Welfare Reforms, work to promote digital inclusion, and support for 'Love Burnt Oak' and BOOST contribute to better outcomes for residents, more sustainable tenancies and reduced rent arrears and have an overall impact on other service areas within the Council and the local economy.
- 5.1.3 Barnet Homes are directly contributing to the Council's priority to build more housing which they have already delivered 43 units through initial development programmes and are currently delivering an extra care scheme in Mill Hill and have established themselves as a Registered Provider, Opendoor Homes.

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

- 5.2.1 There are no direct resource implications arising out of this report.
- 5.2.2 Barnet Homes receive a management fee consisting of a combination of HRA and General Fund revenue and capital resources as set out in appendix 1, section 6. A four year efficiency savings target of £2.613m was agreed by the Housing Committee in June 2015 and Barnet Homes have delivered the savings agreed for the first year in 2016/17.

5.2.3 It was agreed that £1.029m of savings would be delivered as a result of the reduction in management of 1397 homes on the regeneration estates over the four years.

5.2.4 The Council has calculated the actual reduction in the management of regeneration stock to be 556 units over the next four years. As a result, the Council will continue to receive rental income on the homes remaining in use and has adjusted the amount of efficiencies to be delivered by £464,817 over the 4 year period, reducing the total savings from £2.613m to £2.148m. Going forward, no further adjustments will be made for changes in the regeneration phasing.

5.2.5 The Housing General Fund projections currently show a pressure of £1.6m in 2017/18. This pressure will be subject to review during 2017/18, and mitigating actions will be progressed. The MTFS for 2017/18 accounts for pressures in this area. Any allocation from contingency would be approved by Policy & Resources Committee in June 2017.

### **5.3 Social Value**

5.3.1 There are no specific social value considerations arising out of this report.

### **5.4 Legal and Constitutional References**

5.4.1 The Local Authority has duties to assist and accommodate certain homeless applicants under Part VII Housing Act 1996. It also has a duty to allocate properties under its allocations scheme (either into social housing or in to the private sector) under Part VI of The Act and to manage its social housing stock as a landlord. Such responsibilities are delegated to The Barnet Group.

5.4.2 Constitution, Part 3, Responsibility for Functions, Appendix A – sets out the terms of reference of the Housing Committee which includes:

- 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
- Commissioning of Environmental Health
- Promote the better integration of privately rented properties into the Borough's framework
- All matters related to Private Sector Housing including Disabled Facility Grants
- Housing licensing and housing enforcement.

### **5.5 Risk Management**

5.5.1 There is a risk that Barnet Homes fail to meet delivery expectations and do

not achieve the performance indicators and outcomes set out within the delivery plan and / or they do not manage their income and expenditure effectively within the agreed budget envelope.

5.5.2 These risks will be mitigated through robust governance and performance management frameworks currently in place.

## **5.6 Equalities and Diversity**

5.6.1 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

5.6.2 The Council has completed Equality Impact Assessments on both the Housing strategy and Housing Allocations policy. These findings will be reflected in the delivery plan and the EIAs will be kept under review and updated as appropriate. The Barnet Group has an equalities strategy in place which fully supports the Council's equalities aims and principles. Equalities impact Assessments are undertaken as and when required.

## **5.7 Consultation and Engagement**

5.7.1 A consultation exercise with Barnet Homes tenants and leaseholders was completed as part of the Management Agreement development in 2015 and this exercise identified the priorities for Barnet Homes. Consultation with residents was also undertaken as part of the Housing Strategy.

## **5.8 Insight**

5.8.1 Insight data has not been used in this report.

## 6. BACKGROUND PAPERS

6.1 Relevant previous papers are listed in the table below:

|   |   |   |
|---|---|---|
| Housing Committee<br>27 October<br>2014 | Final Approval of<br>Proposed Changes<br>to Housing Allocations<br>Scheme                                 | <a href="https://barnet.moderngov.co.uk/documents/s18638/Housing%20committee%20report-%20final.pdf">https://barnet.moderngov.co.uk/documents/s18638/Housing%20committee%20report-%20final.pdf</a>   |
| Housing Committee<br>29 June 2015       | Decision Item 7 -<br>Housing Strategy   | <a href="https://barnet.moderngov.co.uk/documents/s24071/Housing%20Strategt.pdf">https://barnet.moderngov.co.uk/documents/s24071/Housing%20Strategt.pdf</a>   |
| Housing Committee<br>29 June 2015       | Commissioning and<br>Delivery of Housing<br>Services and the<br>Management of the<br>Barnet Housing Stock | <a href="https://barnet.moderngov.co.uk/documents/s24079/Commissioning%20and%20Delivery%20Of%20Housing%20Services%20and%20the%20Management%20of%20Barnet%20Housing%20Stock.pdf">https://barnet.moderngov.co.uk/documents/s24079/Commissioning%20and%20Delivery%20Of%20Housing%20Services%20and%20the%20Management%20of%20Barnet%20Housing%20Stock.pdf</a> |

