

**MEETING**

**CONTRACT MONITORING OVERVIEW AND SCRUTINY COMMITTEE**

**DATE AND TIME**

**TUESDAY 18<sup>TH</sup> JUNE, 2013**

**AT 7.00 PM**

**VENUE**

**HENDON TOWN HALL, THE BURROUGHS, NW4 4BG**

**TO: MEMBERS OF CONTRACT MONITORING OVERVIEW AND SCRUTINY COMMITTEE (Quorum 3)**

Chairman: Councillor John Marshall

Vice Chairman: Rowan Quigley Turner

**Councillors**

Geof Cooke  
Andrew Harper  
Ross Houston

Sury Khatri  
Alison Moore  
Barry Rawlings

Brian Salinger  
Daniel Seal

**Substitute Members**

Anthony Finn  
Anne Hutton

Brian Schama  
Alan Schneiderman

**Housing Co-opted Members**

Maxwell Doku

Kanu Dave

**You are requested to attend the above meeting for which an agenda is attached.**

**Andrew Nathan – Head of Governance**

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Media Relations contact: Sue Cocker 020 8359 7039

**ASSURANCE GROUP**

## ORDER OF BUSINESS

Item No	Title of Report	Pages
1.	Absence of Members	
2.	Declarations of Members' Interests a) Disclosable Pecuniary Interests and Non Pecuniary Interests b) Whipping Arrangements (in accordance with Overview and Scrutiny Procedure Rule 17)	
3.	Public Question Time (if any)	
4.	Members' Items (submitted in accordance with Overview and Scrutiny Procedure Rule 8) (if any)	
5.	Contract Monitoring - Organisational Arrangements	1 - 12
6.	The Barnet Group End of Year Performance Report 2012/13	13 - 52
7.	Parking Services Performance	To Follow
8.	Future Work Programme	53 - 60
9.	Any Other Items the Chairman Decides are Urgent	

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Meeting	Contract Management Overview and Scrutiny Committee
Date	18 June 2013
<b>Subject</b>	<b>Managing the Council’s Major Commercial Partnerships</b>
Report of	Scrutiny Office
Summary	This report covers the new model for managing the council’s major commercial partnerships and the information that will be reported to this Committee in future

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Officer Contributors	Kari Manovitch, Head of Commercial
Status (public or exempt)	Public
Wards Affected	All
Key Decision	No
Reason for urgency / exemption from call-in	n/a
Function of	Contract Management Overview and Scrutiny Committee
Enclosures	Appendix A – Proposed Format for the Quarterly Corporate Monitoring Report
Contact for Further Information:	Contact for further information: Andrew Charwood: 020 8359 2014, <a href="mailto:andrew.charwood@barnet.gov.uk">andrew.charwood@barnet.gov.uk</a>

## **1. RECOMMENDATIONS**

- 1.1 That the Committee consider the information in this report and make comments and recommendations as appropriate.**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Council, 16 April 2013, (item 4.3) – approved recommendations from the Constitution Ethics and Probity Committee, which included the establishment of a Contract Monitoring Overview and Scrutiny Committee with responsibility for scrutinising the performance of the main externalised contracts
- 2.2 Cabinet, 6 December 2012 (item 5) – approved the New Support & Customer Service Organisation: Recommendation for Preferred and Reserved Bidder and Full Business Case
- 2.3 General Functions Committee, 23 April 2012, (item 6) – approved Re-organisation of the Senior Officer and Council Structures
- 2.4 Cabinet Resources Committee, 4 April 2012 (item 5) - approved the Business Case for a shared legal service with the London Borough of Harrow
- 2.5 Cabinet Resources Committee, 24 May 2011 (item 12) - approved the set up of a local authority trading company (LATC) structure, incorporating Barnet Homes
- 2.6 Cabinet Resources Committee, 16 January 2012 (item 6) - approved transfer of the Housing Needs Service to The Barnet Group
- 2.7 Cabinet Resources Committee 14 December 2011 (Item 5) – approved the recommended Development and Regulatory Services (DRS) shortlist of two bidders for stage 2 of the competitive dialogue process

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Overview and Scrutiny Committees must ensure that the work of Scrutiny is reflective of the Council's priorities.
- 3.2 The three priority outcomes set out in the 2013/16 Corporate Plan are:
- Promote responsible growth, development and success across the borough
  - Support families and individuals that need it – promoting independence, learning and wellbeing
  - Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study
- 3.3 All the commercial partnerships are intended to contribute to one or more of these priorities.

- 3.4 Robust contract monitoring is essential to ensuring that the Council's priorities and policies, as set out in the Council's contracts with its strategic partners, are delivered effectively.

#### **4. RISK MANAGEMENT ISSUES**

- 4.1 For each of the Council's major commercial partnerships there are detailed contracts in place setting out rights and responsibilities on both sides, with clear protections and remedies in the event of problems.
- 4.2 Risk monitoring is an essential component of robust contract management. Shared risk logs will be reviewed routinely by the contract managers and be reported to the appropriate partnership governance board. Risks that require escalation will be reported to the Delivery Board, the Lead Commissioner, and the Strategic Commissioning Board and the lead Cabinet Member.
- 4.3 Generic risks for all contract managers to be aware of, mitigated through robust and comprehensive but proportionate controls and contract management practices include:

- Failure to keep to planned transformation milestones with knock on impact on expected benefits
- Failure to meet service levels
- Failure to meet performance targets
- Failure to maintain or improve customer satisfaction
- Failure to maintain business continuity
- Failure to manage change controls leading to higher than predicted costs
- Overcharging by the provider
- Failure to manage contract disputes
- Failure of the contract to maintain competitiveness and value for money over time
- Failure of the partnership to generate innovation and continuous improvement
- Failure of effective risk transfer from the client to the partner

Some causes of these risks include:

- Failure to develop the right relationship with partners based on mutual understanding
- Contracts are not sufficiently understood by those that need to use them
- Contract processes and procedures are not adhered to on either side
- Failure of the client or provider to respond flexibly to resolving problems
- Failure of the client to effectively cooperate with or honour its obligations to the partner
- Failure of the client to provide timely or clear direction and decisions, causing loss of contract benefits
- Excessive input and control by the client

#### **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 Each contract places obligations on our partners to support the Council in carrying out its public sector equalities duty. This means having due regard to the need to:

a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;

b) advance equality of opportunity between those with a protected characteristic and those without;

c) promote good relations between those with a protected characteristic and those without.

The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex and sexual orientation. With respect to a) the 'protected characteristics' also include marriage and civil partnership.

5.2 Effective contract management is vital to ensuring that the Council's duties under the Equality Act 2010 are supported by its partners.

5.3 Equalities will be monitored by collecting data on service usage, customer feedback and specific performance indicators. Where service changes affecting residents or service users are proposed, equalities impact assessments will be undertaken, and where needed, these will include consultation with residents or service users.

## 6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

6.1 Effective contract management is vital to ensuring that resources are used effectively and that best value is obtained.

6.2 A range of monitoring mechanisms are built into the contracts to ensure that value for money remains under review, including quarterly and annual reporting, and periodic benchmarking exercises.

6.3 This Committee will receive reports on all four major commercial partnerships covering performance, payments, and contract changes.

6.4 The budgets, contract values and savings for the two proposed and two live contracts are shown below.

Contract	Start date	Length	Full contract value	Full contract savings	Per annum contract value	Per annum savings
<b>NCSO</b>	Tbc*	10 yrs	£318.0m	£125.4m	£31.80m	£12.5m
<b>DRS</b>	Tbc*	10 yrs	£154.0m	£39.1m	£15.4m	£3.9m
<b>Barnet Homes</b>	01/04/13	1 yr**	£32.7m	£0.5m	£32.7m	£0.5m
<b>HB Public Law</b>	01/09/12	5 yrs	c.£9.7m***	c.£1m	£1.9m	c.£0.2m

\* Subject to the outcome of the Judicial Review appeal hearing

\*\* The original Barnet Homes Management Agreement began in 2004, and a new longer term Management Agreement is being developed to commence in 2014

\*\*\* The budget for HB Public Law is reviewed on an annual basis, the contract values are as at 2013/14, the savings are drawn from the business case agreed by CRC in April 2012.

6.5 These contracts will be managed within the existing budgets.



## **7. LEGAL ISSUES**

- 7.1 The management of contracts is governed by the terms and conditions of each contract, and Common Law.
- 7.2 Where legal expertise is required by the Commercial team, this will be sourced in the first instance from the specialist contract law team within HB Public Law. The exception to this would be in the unlikely event that the Council required independent advice with respect to its Inter Authority Agreement with Harrow for HB Public Law itself, where advice would be sourced from an appropriately qualified independent legal advisor.

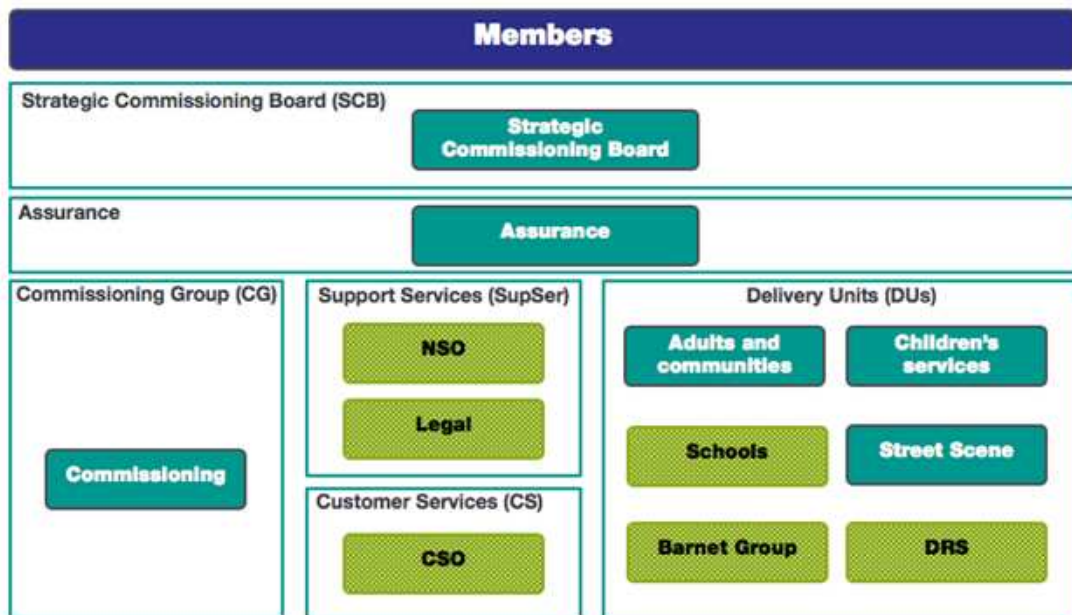
## **8. CONSTITUTIONAL POWERS (Relevant section from the Constitution, Key/Non-Key Decision)**

- 8.1 The roles and terms of reference of all scrutiny Committees are contained within Part 2, Article 6 of the Constitution; and in the Overview and Scrutiny Procedure Rules (Part 4 of the Constitution). The Contract Monitoring Overview and Scrutiny Committee is responsible for scrutinising reports from the Commissioning Group detailing the performance against targets that are included within the Corporate Plan and otherwise relating to the services provided by the New Support & Customer Services Organisation, Development & Regulatory Services, The Barnet Group Ltd, HB Public Law and NSL (external Delivery Units/commercial partners).

## **9. BACKGROUND INFORMATION**

### **New Commissioning Model**

- 9.1 The Council's new Commissioning model went live on 1 April 2013, creating a distinction between officers who commission, review and contract manage services (the Commissioning Group), those who deliver services (Delivery Units and major commercial partnerships) and those that provide independent assurance to Members, the Chief Executive and Chief Officers that the organisation is operating properly and effectively (the Assurance Group).



- 9.2 The model has not centralised contract management, but rather, identified a group of four major Delivery Units and four major commercial partnerships that in turn manage their own contractual relationships with third parties. In-house Delivery Units are supported in procurement and contract management by the NSCSO procurement service. The procurement service will also continue its role in ensuring contract compliance and reporting this to the Council, and have KPI and PI targets related to this commitment.
- 9.3 The Commissioning Group has within it a performance team that facilitates performance oversight for the four in-house Delivery Units - Adults & Communities, Family Services, Education & Skills, and Street Scene – and a Commercial function that provides commercial management for the four major commercial partnerships: NSCSO, DRS, Barnet Group (Barnet Homes) and HB Public Law.

### Management of commercial partnerships

- 9.4 For 2013-14, new management agreements for Barnet Homes and HB Public Law have been developed, as well as for the in-house DRS Delivery Unit, setting out the objectives for the partnership, the agreed budgets/fees, performance targets and improvement projects. No NSCSO management agreement was developed because of the proximity of the planned date of service transfer to Capita, but the in-house unit will report on the same set of KPIs and PIs that were developed as part of the draft NSCSO contract.
- 9.5 Progress in delivering these management agreements will be monitored by the Commercial function, and will be reported on a quarterly basis to the Council's Delivery Board, and the relevant Lead Commissioner, before being reported to this Committee.
- 9.6 Subject to the outcome of the Judicial Review appeal, the contract management arrangements for NSCSO and DRS will increase in rigour and complexity upon establishment of the new outsourced arrangements.
- 9.7 The contract management arrangements will comprise the following:

Common across all contracts:

- A dedicated contract manager with responsibility for overseeing performance and contract compliance
- A Lead Commissioner with responsibility for developing strategy in line with Members' priorities
- Routine contract management meetings
- Strategy and technical meetings
- Monthly Partnership Operations Board meetings
- Quarterly Strategic Partnership Board meetings
- Quarterly meetings with Lead Commissioners and quarterly reporting by the partners to Delivery Board, and to this Committee
- Quarterly challenge sessions between the lead Cabinet Member and Cabinet Member for Resources and Performance where appropriate
- Monthly, quarterly and annual finance, performance, benefits and milestone reporting
- Issue and risk management and reporting
- Reporting on key policy and compliance areas – equalities; health and safety; complaints; data protection; fraud; conflicts of interest, etc
- Contract variation and change control register
- Open book review process
- Audit process

Specific to NSCSO & DRS:

- New posts to oversee service quality, financial and service performance
- Individual project governance arrangements
- At least three full benchmarking exercises during life of contract
- Two full partnership/outcome reviews (years 3 and 6 for NSCSO, and 4 and 7 for DRS)
- Periodic financial health assessments

Specific to NSCSO:

- Monthly meetings of the four resource boards: Customer & Information Management; Procurement; Capital & Assets; Workforce

Specific to DRS:

- Quarterly Joint Venture Board meetings
- The introduction of an 'Innovations Board' and 'Service Improvement Groups'

9.8 The above arrangements are in addition to the existing quarterly reporting of performance against budget and Corporate Plan targets to Cabinet Resources Committee and the Budget and Performance Overview and Scrutiny Committee.

9.9 The proposed format for the quarterly corporate monitoring report that will be produced for Barnet Group, HB Public Law and the NSCSO and DRS in-house Delivery Units, and therefore the format that can be reported to this Committee, is included as Appendix A for comments.

9.10 The monitoring report formats to be used for NSCSO and DRS partnerships once outsourced (subject to the outcome of the Judicial Review appeal) will be designed to take account of the particular features of these contracts.

- 9.11 Subject to the outcome of the Judicial Review appeal hearing, Capita will be invited to present to this Committee on the long-term strategic vision for the NSCSO and DRS partnerships, and the benefits envisaged for the borough, so that subsequent monitoring reports are seen in the context of this ambition.

### **Ongoing review**

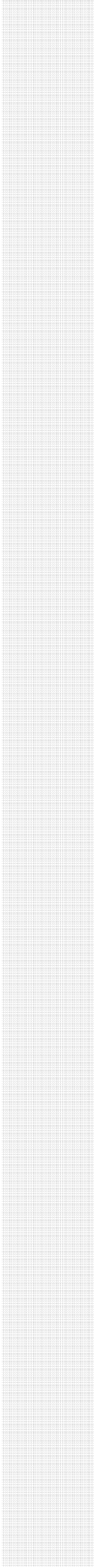
- 9.12 It will be important for the Council to keep contract management arrangements under review to ensure they are proportionate and that the right balance is struck between flexibility for the partnership and appropriate levels of transparency and assurance. There are a number of partnership health self-assessments and external reviews that can be undertaken to help ensure the Council has got the balance right.

## **10. LIST OF BACKGROUND PAPERS**

- 10.1 2013-14 Management Agreements for DRS and Barnet Homes.
- 10.2 Inter Authority Agreement between London Borough of Harrow and London Borough of Barnet Joint Legal Service, 01/09/2012- 31/08/2017

<b>Cleared by Finance (Officer's initials)</b>	<b>JH</b>
<b>Cleared by Legal (Officer's initials)</b>	<b>SD</b>

**APPENDIX A – Proposed format for the quarterly corporate monitoring report**



**1.1 DASHBOARD**

Revenue budget actual variance £000 <sup>[1]</sup>	Capital actual variance £000	Corporate Plan Performance	Key projects

**1.2 TOP ACHIEVEMENTS AND ACTIONS**

Top 3 Achievements

Key Escalations	Actions required

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### 1.3 SUMMARY OF PERFORMANCE

Narrative on the performance for the quarter

## 2. DELIVERING THE CORPORATE PLAN

### 2.1 Performance against Corporate Plan indicators

CPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
									<i>Benchmarking must include the comparator and LBB's ranked position. Include the outturn and if possible the group average. Also include comparison to last year's equivalent</i>

\*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.

Narrative to be provided on successes and all areas of challenge and action being taken to improve

## 3. CONTRACT/MANAGEMENT AGREEMENT REPORTING

### 3.1 How is the Delivery Unit achieving against its Key Performance Indicators (KPIs):

KPI NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance

Narrative to be provided on escalations and improvement plans

#### **4. RESOURCES**

**4.1 Revenue**

**4.2 Capital**

#### **5. CLIENT/CUSTOMER SATISFACTION**

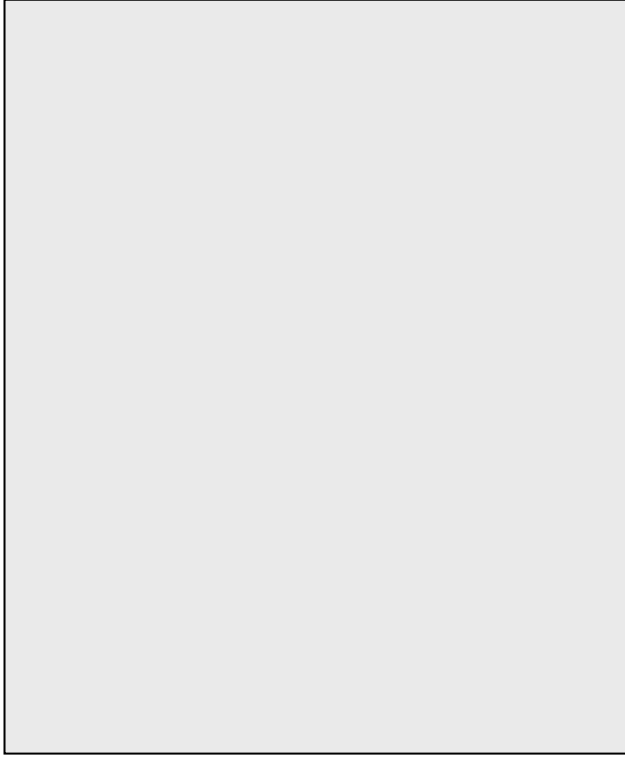
#### **6. OVERVIEW OF PARTNERSHIP**

**6.1 Key projects**

## 6.2 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:

		IMPACT				
		1 Negligible	2 Minor	3 Moderate	4 Major	5 Catastrophic
SCORE	5 Almost Certain	Yellow	Orange	Red	Red	Red
	4 Likely	Yellow	Orange	Orange	Red	Red
	3 Possible	Green	Yellow	Orange	Orange	Red
	2 Unlikely	Green	Yellow	Yellow	Orange	Orange
	1 Rare	Green	Green	Green	Yellow	Yellow



The following risk register lists those risks rated as 12 and above:

Risk	Current Assessment Impact Probability Rating	Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating
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*Narrative for partner level risks (12+).  
(Internal risks only).*

## 6.3 Equalities



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Meeting	Contract Monitoring Overview and Scrutiny Committee
Date	18 June 2013
Subject	<b>The Barnet Group Annual Report (April 2012 – March 2013)</b>
Report of	Housing and Environment Lead Commissioner Later Life Lead Commissioner
Summary	This report provides an overview of the performance outcomes for The Barnet Group Ltd, including Barnet Homes and Your Choice Barnet, for the period April 2012 to March 2013.

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Officer Contributors	Declan Hoare – Lead Commissioner Housing and Environment Karen Ahmed – Later Life Lead Commissioner Derek Rust – Director of Operations, Barnet Homes Karen Patten – Head of Care & Support , Your Choice Barnet Paul Shipway – Head of Strategy and Performance, Development and Regulatory Services
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix 1 – The Barnet Group Annual Report Appendix 2 – Successful Tenancies 2012-14 So far so good?
For decision by	
Reason for urgency / exemption from call-in	Not applicable

Contact for further information: Paul Shipway, Head of Strategy and Performance, 020 8359 4924, [paul.shipway@barnet.gov.uk](mailto:paul.shipway@barnet.gov.uk)

## **1. RECOMMENDATION**

- 1.1 That the Committee consider the Barnet Group Annual Report, April 2012 – March 2013 and make appropriate comments and recommendations to the Lead Commissioners and relevant Cabinet Members as appropriate.**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Council, 18 April 2013, Constitution Review – Council approved the establishment of a Contract Monitoring Overview and Scrutiny Committee which has responsibility for monitoring the performance of The Barnet Group Ltd.
- 2.2 Annual Council, 21 May 2013, Report of the Head of Governance – Council approved the appointment of two co-opted Members to the council's overview and scrutiny committees considering housing matters.

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Overview and Scrutiny Committees must ensure that the work of Scrutiny is reflective of the Council's priorities.
- 3.2 The three priority outcomes set out in the 2013/16 Corporate Plan are: –
- Promote responsible growth, development and success across the borough
  - Support families and individuals that need it – promoting independence, learning and wellbeing
  - Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study

## **4. RISK MANAGEMENT ISSUES**

- 4.1 There are no direct risk management issues in the context of this report. However, an ongoing in-depth review of the performance of The Barnet Group Ltd by the Contract Monitoring Overview and Scrutiny Committee should contribute to performance improvement, and therefore mitigate the risk of failure to meet performance targets and improve services.

## **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 Analysis shows that council tenants living in homes managed by Barnet Homes are very diverse and often from vulnerable groups. Profile information collected by Barnet Homes shows that 32% of tenants are aged over 60, of which 8% are aged over 80 (19% of the whole borough's residents are aged over 60 and 4% are over 80). 27% of tenants consider themselves as having a longstanding illness, impairment or infirmity that limits their activities. 43% of tenants are from black and minority ethnic (BME) backgrounds with 19% black and 9% Asian (31% of the borough's residents are from BME backgrounds with 8% black and 14% Asian).
- 5.2 It is important that Barnet Homes provides its services in a way that takes account of the diversity of council tenants. An example of this is the improved performance on

adaptations for people with physical impairments following a review of the aids and adaptations service.

- 5.3 Analysis of Your Choice Barnet service users shows that 51% are male, 37% are under 40 and 13% are over 60. Where ethnicity is known the majority are White (60%) and the largest BME group is Asian (28%).

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 6.1 The Group financials show a strong position for the Year 2012/13 with a surplus of £550k achieved through a surplus in Barnet Homes of £620k and a loss within Your Choice of £70k.
- 6.2 The surplus in Barnet Homes was an excellent achievement as the management fee was reduced by £0.5million for the year as part of a series of agreed management fee reductions over five years. In addition we were able to achieve General Fund efficiencies within the Housing Options service of £330k.
- 6.3 The loss of £70k within Your Choice was a positive outturn for the first year and was delivered following £180k worth of efficiencies.
- 6.4 Barnet Homes had a positive year in respect of performance. Out of 18 main indicators, 10 finished the year as green, 2 as amber and 6 as red. The majority of the reds related directly to the Housing Options service which was in its first year and was a challenging period.
- 6.5 The performance figures for Your Choice Barnet have remained fairly consistent over the year across the services and the introduction of a new business intelligence system will ensure that attendance figures are provided to managers in a better format allowing for more regular and critical reviewing.

## **7. LEGAL ISSUES**

- 7.1 None

## **8. CONSTITUTIONAL POWERS**

- 8.1 The roles and terms of reference of all scrutiny committees are contained within Part 2, Article 6 of the Constitution; and in the Overview and Scrutiny Procedure Rules (Part 4 of the Constitution). The Contract Monitoring Overview and Scrutiny Committee, amongst other duties, is responsible for scrutinising reports from the Commissioning Group detailing the performance against targets that are included within the Corporate Plan and otherwise relating to the services provided by the New Support & Customer Services Organisation, Development & Regulatory Services, The Barnet Group Ltd, Joint Legal Service (external delivery units) and NSL.
- 8.2 Where issues relating to housing or housing benefits and/or the Council's functions as a housing authority are to be discussed by any Overview and Scrutiny body, the Head of Governance, in consultation with the relevant Chairman will arrange for two non-

voting representatives appointed by the Barnet Homes Performance Advisory Group to be invited to attend the meeting and speak but not vote on such issues.

## **9. BACKGROUND INFORMATION**

- 9.1 The Barnet Group was established as a local authority trading company in February 2012 bringing together the existing arm's length management organisation (ALMO) Barnet Homes, set up by the Council in April 2004, and Your Choice Barnet a new company providing services to adults with learning disabilities.
- 9.2 Formal meetings take place on a monthly basis between the Barnet Group executive team and council officers to review performance. Appendix 1 provides a review of the Groups performance and other areas as agreed with the Council for 2012/13. The indicators monitored and the targets set take into account:
- Council priorities
  - Business priorities
  - Customer priorities
  - Benchmarking with other providers
  - Continuous improvement
  - Industry standards
  - Contract requirements
- 9.3 Barnet Homes' last major customer satisfaction survey carried out in 2012 reported that 78% of the tenants of Barnet Homes were satisfied with overall landlord services. This is an increase from 2010 of 5% and compares favourably with other London boroughs. Satisfaction with overall services is highest among people aged 60 or above and lowest among the 18-39 age bracket. Geographically, the highest overall satisfaction is in Finchley Church End ward (93%) and lowest in Woodhouse ward (63%). Among ethnic groups those classing themselves as "Other" scored lowest at 74% and Asian and Black residents have the highest satisfaction (79%).
- 9.4 Leaseholders are generally less satisfied across all local authority landlords. Their satisfaction in 2010 in Barnet was 40%, compared to a London top quartile of 48% and average of 42%
- 9.5 Both surveys show a positive direction of travel with improvement from the last major surveys in 2008 and 2010.
- 9.6 Your Choice Barnet satisfaction was surveyed close to go-live earlier this year but the low response rate and lack of service user feedback means that further work is required and is part of the Your Choice engagement plan.
- 9.7 Customers are actively involved in monitoring Barnet Homes' performance through the Performance Advisory Group and Your Choice Barnet Board previously approved an engagement plan for carers and service users to become more actively involved.
- 9.8 The first year of The Barnet Group was a positive one. The creation of the Group, Your Choice Barnet and the transfer of the Housing Options service were completed without any major issues and Your Choice finished the year with a better financial position than the business case proposed.

- 9.9 The Group launched its New Business strategy and tendered for a number of contracts towards the end of the year and was successful in securing two of the lots tendered by the Council for early intervention and prevention in respect of young people.
- 9.10 Barnet Homes also began to develop a new build function that would support the development of new council housing in the borough, the first for a significant period.
- 9.11 **Barnet Homes**
- 9.11.1 **Housing Options** - When the Housing Needs and Resources service was transferred from Barnet Council to Barnet Homes in April 2012 the business case indicated that the service was experiencing performance challenges in key areas:
- Falling supply of accommodation
  - Increasing demand for accommodation
  - Cost of providing temporary accommodation
  - Length of stay in temporary accommodation
  - Lack of leadership and performance culture amongst staff
- 9.11.2 Since service transfer a major restructure has taken place including the appointment of a new head of service. An improvement plan is in place to address the issues highlighted and progress is being made.
- 9.11.3 There are a number of positive developments to report against the issues highlighted above:
- A Private Rented Sector procurement strategy is now in place to increase housing supply, including in less expensive areas outside of the borough
  - A Let2Barnet management service for private landlords has been established yielding new private sector rental opportunities for applicants
  - More units from Housing Association leased direct schemes have been acquired
  - Manager's approval must be sought for new applicants to temporary accommodation
  - Occupancy checks have been carried out to ensure applicants are in residence
  - An increased focus on homelessness prevention has been developed
- 9.11.4 **Lettings** – 680 lettings have been completed to date and these empty properties are turned around in 19 days on average against a target of 26 days. New tenants are routinely surveyed and 90% reported that they were satisfied that their new homes are clean and tidy and safe and secure.
- 9.11.5 **Income** – at the end of March 2013 there were 3,806 tenants in arrears (value £0.01 or more) out of a total of 10,498 live accounts. The value of arrears is tracked as a proportion of debit raised and at the end of the year this stood at 2.38% against a performance measure of 2.43% maximum.
- 9.11.6 Research undertaken indicates that the increase in arrears is attributable to tenants on partial or no housing benefit and there is a decline in the number of clients on full housing benefit.
- 9.11.7 Benchmarking work undertaken by Barnet Homes shows that housing organisations across London are beginning to feel the impact of the economic climate on their arrears performance with all forms of rent becoming increasingly more difficult to collect. It is expected that the position will deteriorate further next year with the impact of welfare reforms and introduction of Universal Credit.

- 9.11.8 108% of leasehold service charges had been collected by the end of the year against a target of 100%.
- 9.11.9 **Repairs** – from April 2012 Barnet Homes went live with new 10 year repair contracts residents were involved in the selection process as well as setting standards for service delivery. Customer satisfaction with repairs is running at 97.8% against a performance measure of 90%. Turnaround times improved in the second half of the year to 91.9% in time against a target of 96%. 99.9% of properties have a current gas servicing certificate against a 100% target which shows a trend of improvement from the beginning of the year where performance was not on target.
- 9.11.10 2012 saw the launch of the Barnet Homes Successful Tenancies project. Our report entitled 'so far so good' is enclosed and provides greater detail about our successes which includes:
- 5.9% increase in residents paying by direct debit
  - The launch of Love Burnt Oak
  - Our graduate and apprentice schemes
- 9.11.11 Complaints – fewer complaints are being received compared to the same period last year and this is an ongoing trend. The target for responses in time is being met.
- 9.11.12 Sickness – at 6.8 days average per full time equivalent Barnet Homes met its performance measure target.

## 9.12 **Your Choice Barnet**

- 9.12.1 Your Choice has been in operation since February 2012 and has inherited the six day and accommodation services from the council. Service users continue to receive the services that they had when provided by the council. This forms the commissioned service against which performance is monitored. Over the year individuals will be reassessed to ensure their service is commissioned at an appropriate level.
- 9.12.2 Services delivered against those commissioned – service delivery varies across sites at Barnet Independent Living Service (BILS) has the lowest delivery rate (69%) but service users' fluctuating health conditions at BILS means they often need to take time away from the service. In contrast steadily increasing take-up at Flower Lane Autism Service and Rosa Morison mean rates are closer to 90%. Supported Living services are recording over 100% commissioned support whilst the reassessments take place and a clearer commissioning position is reached.
- 9.12.3 There is an imperative to provide flexibility of service to ensure that service users can receive support when it is most beneficial to them. Your Choice is looking at its service offer and structures to ensure that it can be responsive to changing demand of service users.
- 9.12.4 Percentage of service capacity utilised – capacity utilisation rates also vary and again BILS is the lowest scoring service (34%). To address this support plans are being updated and the council has been asked to prioritise social work reviews which will enable targeting of accurate support. Rates at Community Space are quite low (74%) but the service structure has been reviewed and new clients were not actively sought over that period. The Valley Way Respite service has 72% of capacity used and Your

Choice Barnet recognise this as an area for targeting new clients. The remaining services are achieving acceptable levels of utilisation (81%-91%).

- 9.12.5 Complaints – only one formal complaint has been received since April. Parents, carers and service users tend to resolve any issues informally at service level with the local staff they know and trust. Compliments have been received about many of the services and Your Choice Barnet will ensure these are recorded formally in future.
- 9.12.6 Your Choice recently held a visit from Lambeth, where the following feedback was received from the attendees *“It was so interesting to see your hard working staff and calm and engaged service users enjoying the benefits of a really well run service in a lovely building. It was good to hear your ethos, providing therapeutic activities rather than community outings and your clear response to suggestions in Valuing People that people with PMLD should be in employment. We were really impressed and envious of many aspects of your service, thank you for sharing so much information with us”.*
- 9.12.6 Sickness – sickness rates improved within Your Choice towards the end of the year but are significantly higher than Barnet Homes. Although due to the nature of services delivered sickness would be expected to be higher, work is being undertaken to reduce these levels.
- 9.12.6 Your Choice received two inspections in the year from the Care Quality Commission, inspecting both our regulated services and whilst there were some minor actions arising from the inspection of the Supported Living service, Valley Way received a completely positive review.

## 10. LIST OF BACKGROUND PAPERS

- 10.1 None

<b>Cleared by Finance (Officer's initials)</b>	<b>MC</b>
<b>Cleared by Legal (Officer's initials)</b>	<b>TA</b>

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**The Barnet Group  
Annual Service Report  
2012-2013**

## 1.0 Introduction

- 1.1 The Barnet Group was created by the Council in February 2012 to oversee Your Choice and Barnet Homes. In April, the Councils Homelessness service, now known as Housing Options transferred across and this first annual report sets out the first year and the achievements/performance over this period.

## 2.0 Performance

- 2.1 The tables within this section set out the key performance areas across the Group, with those highlighted in red showing the areas of most concern:

### (a) Barnet Homes

Barnet Homes had a positive year in respect of performance. Out of 18 main indicators, 10 finished the year as green, 2 as amber and 6 as red. The majority of the reds related directly to the Housing Options service which was in its first year and was a challenging period.

Business Area	KPI	Performance (Q4 12-13)	Target	Commentary
Housing Options	Number of Applications for Housing in Quarter	2,827 (2012/13)	N/A	2,402 applications were made in the previous year.
Housing Options	Number of Homeless Presentations in Quarter	1,120 (2012/13)	N/A	1,113 presentations were made in the previous year.
Housing Options	Number of Homeless Acceptances in Quarter	591 (2012/13)	N/A	339 acceptances were made in the previous year.
Housing Options	Number of Households in Emergency Accommodation	635 (End Q4)	370	359 at the end of 2011-12.  The introduction of welfare reforms, increasing private sector rents and a number of socio-economic factors meant the service faced both increased demand and a reduction in affordable supply (an overall reduction

Business Area	KPI	Performance (Q4 12-13)	Target	Commentary
				<p>of 455 lettings in 12/13 compared to 11/12). There were several factors that compounded difficulties in sourcing accommodation to meet demand:</p> <ul style="list-style-type: none"> <li>• Demand has been relatively stable throughout the year; however the number of acceptances due to loss of private rented accommodation has increased significantly.</li> <li>• Barnet became the most expensive outer London borough in which to secure private sector accommodation<sup>1</sup></li> <li>• Only 5.9% of properties available at Local Housing Allowance (LHA) rates in Barnet<sup>2</sup></li> <li>• Barnet has been impacted by the migration of households from inner London and the number of LHA claims in Barnet rose by 27% between March 2011 and November 2012</li> <li>• North London is a hotspot for temporary accommodation (TA) with almost 1 in 5 households in TA in the country being placed by north London authorities. This has led to increased pressure in competition for affordable supply.</li> <li>• A large number of re-generation scheme decants were carried out in 12/13 where households were prioritised for affordable alternative supply. This is excellent news</li> </ul>

Business Area	KPI	Performance (Q4 12-13)	Target	Commentary
				<p>for regeneration customers and in relation to the progress of the schemes but also contributed to the increased demand for emergency accommodation.</p> <p>Despite the challenges, the service has responded positively. For example, benchmarking data has shown that Barnet Homes has been relatively successful and out-performed its counterparts in sourcing affordable emergency accommodation. Further, innovative developments such as the re-branded Let2Barnet and delivery of new long-term leasing schemes in collaboration with Housing Association partners have also helped to mitigate the impact of the challenges faced.</p>
Housing Options	Average Weeks Spent by Households in Emergency Accommodation	30 weeks (End Q4)	26 weeks	<p>29 weeks at the end of Q3 (figures not available for the previous financial year).</p> <p>See commentary above.</p>
Housing Options	Cost of Temporary Accommodation Units Procured above Housing Benefit Subsidy Cap	£1,026k (End Q4)	£43k	<p>£943k at the end of Q3 (figures not available for the previous financial year).</p> <p>Whilst the direction of travel remains the same, with a further increase in the proportion of stock acquired above subsidy rates, the rise in cost slowed at the end of the quarter.</p>

Business Area	KPI	Performance (Q4 12-13)	Target	Commentary
				<p>There are also some positive signs moving forward:</p> <ul style="list-style-type: none"> <li>• We are experiencing some increases in the volume of daily vacancies enabling us to secure properties at lower rates.</li> <li>• The block-booking scheme, where properties are secured from emergency accommodation providers at affordable rates in exchange for a guaranteed length of stay has been successful with over 50 properties now acquired through this scheme</li> <li>• The new registered social landlords (RSL) pilot will increase supply which will in turn offer alternative supply for those who would otherwise go into emergency accommodation.</li> </ul> <p>We have now beaten last year's full year total of 121 direct lets, with 171 acquired by the end of Q4. This has helped to offset reliance on emergency accommodation.</p>
Housing Options	% of Discretionary Housing Payment Budget Spent	61% (2012/13)	100%	<p>42% at end of Q3 (figures not available for the previous financial year).</p> <p>Budget was substantially increased for this year and over 1,000 awards made, in both instances this was more than the past two years added together. There were some issues around process and criteria which prevented more being paid in the early part of the year.</p>

<b>Business Area</b>	<b>KPI</b>	<b>Performance (Q4 12-13)</b>	<b>Target</b>	<b>Commentary</b>
Housing Options	% Statutory Homeless Appeals Completed within 56 day time limit	100% (2012/13)	100%	85% in the previous year.
Housing Options	Number Awaiting Banding	471 (End Q4)	N/A	517 awaiting banding at end of Q3 (figures not available for the previous financial year).
Housing Options	Average days taken to complete banding assessment and issue decision.	103 days (2012/13)		A significant impact has been made on the number of unbanded cases by the backlog team project which was set up on 10 September 2012 and was wound down at the end of March 2013. The lessons learned from the backlog project have fed into the service review and identified significant shortcomings in the role of the housing needs officers.
Housing Options	Average number of days to rehouse client following a banding decision	180 days (2012/13)		<p>The service has now moved to an appointment based system which has helped to resolve issues around case allocation and is moving the nomination function away from housing needs officers to free up more time for prevention and assessment.</p> <p>It should be noted that there are 1,010 cases banded, which represents the true housing demand in the absence of a waiting list. Of these 150 are Barnet Homes' tenants who have been banded for a transfer to an alternative property. Excluding the transfer cases 536 have been placed into bands 3 and 4 which represent a growing number</p>

Business Area	KPI	Performance (Q4 12-13)	Target	Commentary
				of households that are not likely to access social housing and are going to place increasing demand on temporary accommodation and private sector supply.
Lettings	Average Days to Re-let Empty Properties (All Barnet Homes)	19 days (2012/13)	24 days	<p>28 days for the previous year.</p> <p>Performance for 2012/13 was ahead of target for all areas other than sheltered.</p> <p>The improved performance was due to more efficient working and synergies brought about by the voids and lettings team being placed in the Housing Options service; a sizeable reduction in number of lettings down from over 950 in 11/12 to nearly 680 in 12/13 and increased levels of demand.</p> <p>We believe that a relet time of 19 days in 2012/13 will place us firmly in the top quartile of London boroughs as the best performance achieved in 2011/12 showed a voids relet time of 19.9 days.</p>
Lettings	New tenant satisfaction: new home is clean and tidy AND safe and secure (two questions)	90% (2012/13)	92%	<p>Our overall result was 90% with Mears hitting 92% and performing very strongly in Q4 (99%)</p> <p>New staff carrying out surveys have been trained to ensure consistency, and more work will be done in the first quarter of 2013/14 to ensure good relations with the other contractors.</p>

Business Area	KPI	Performance (Q4 12-13)	Target	Commentary
Lettings	End to End Time for Major Adaptation Jobs Completed in the Month (weeks)	19.9 (2012/13)	15 weeks	<p>28.9 weeks in previous year.</p> <p>Performance in Q4 showed a greater consistency with an average monthly turnaround of 17 weeks which showed a significant improvement to Q4 last year with a turnaround of 28 weeks.</p> <p>Following the result of the system thinking review for the service challenging targets were set for each quarter and although we did not reach the target set for year end, the end to end time has reduced by 9 weeks for 2012/13. We will be working closely with the contractor and the Occupational Therapist to keep waiting times for residents down.</p>
Rental Income	All Tenants with Arrears (any value over £0.01)	3,806 (end Q4)	N/A	<p>4,338 awaiting banding at end of Q3 (figures not available for the previous financial year).</p> <p>Total live accounts 10,386.</p>
Rental Income	Arrears as % Debit	2.38% (2012/13)	2.50%	<p>It is pleasing to report that following a strong performance in quarter 4, the team beat the arrears as a per cent of debit target by 0.12% (approx. £50,000) and improved on the performance outturn for 2011/12.</p>
Rental Income	Housing Options % of Income Collected	92% (2012/13)	94%	<p>94% for the previous year.</p> <p>Unfortunately we failed to reach our end of year target of 94% finishing the year at 92% due to a number of factors:-</p> <p>(a) A sizeable increase in number of households</p>



Business Area	KPI	Performance (Q4 12-13)	Target	Commentary
				<p>placed in temporary accommodation which resulted in an increase in the debit from £7.7m to over £11m.</p> <p>(b) an initial lack of procedures and processes in place to effectively manage temporary accommodation accounts and tackle the debt</p> <p>(c) A reduction in Housing Benefit of 1.3% which equates to having to collect an additional £150k.</p> <p>(d) performance issues and a lack of resources to help effectively deal with the increasing workload</p> <p>We have subsequently reviewed processes with managers from across all areas involved with temporary accommodation, have increased staff resources and are seeking a further temporary increase in resources to turnaround performance in 2013/14.</p>
Leaseholder Services	% Annual Service Charge & Arrears Collection	108% (2012/13)	100%	<p>The team exceeded our high expectations in collecting 108% against the 100% target. This is the 6<sup>th</sup> consecutive year that the team has exceeded 100%</p> <p>The year also saw a significant increase in interest around Right to Buy following the governments re-launch of the scheme. The CEO Board report provides further detail concerning this.</p> <p>There was also a sizeable increase in major work billing</p>

Business Area	KPI	Performance (Q4 12-13)	Target	Commentary
				partly as a result of the major scheme at Granville Road and the commencement of the electrical rising main programme. The knock on impact of this was a fifty three per cent increase in the sum of major work money collected.
Antisocial Behaviour	ASB Cases Opened	251 (2012/13)	N/A	Figures are not available for the previous financial year.
Repairs	Responsive Repairs Customer Satisfaction (Mears: KPI R1)	97.8% (2012/13)	90%	97.6% end of Q3 (figures not available for the previous financial year).
Repairs	Responsive Repairs Completed in Time (Mears: KPI R4)	91.9% (2012/13)	96%	91.7% end of Q3 (figures not available for the previous financial year).  Although not hitting year-end target, this indicator showed gradual and consistent improvement towards required levels throughout the year.
Repairs	% Properties with Current Gas Servicing Certificate (Mitie: KPI G4)	99.9% (2012/13)	100%	99.9% end of the previous year.  A concerted effort by both the Barnet Homes Gas team and MITIE managed to achieve a compliancy figure of 99.9 per cent for year end. This is a good outturn against the context of a poor overall first year for MITIE delivering gas services to Barnet Homes' properties.
Major Works	% Satisfaction with Major Works	95% (2012/13)	90%	89% for the previous financial year.

(b) Your Choice Barnet (figures for 2012/13)

<b>Service</b>	<b>Sessions Attended vs. Commissioned</b>	<b>Attended vs. Capacity</b>
BILS	69%	34%
Community-Space	83%	74%
Flower Lane	90%	86%
Rosa Morison	85%	81%
Supported Living	149%	91%
Valley Way	96%	72%

- The figures have remained fairly consistent over the year across the services.
- The introduction of our new Business Intelligence system Covalent will ensure that attendance figures are provided to managers in an easy to understand format, allowing more regular and critical reviewing of the figures.
- We do not feel that measuring capacity within community and day services is a meaningful measure of how well the services are utilised especially as all our services will be developing outreach support as a target. CommunitySpace and BILS are already providing this support to the majority of our customers. We therefore propose to capture capacity in this way only for Support Living and Valley Way in the future.

<b>Service</b>	<b>Sessions Attended vs. Commissioned</b>	<b>Attended vs. Capacity</b>	<b>Commentary</b>
Safeguarding	Number of safeguarding incidents	9 (2012/13)	For 2013/14 we will be collecting more information in this area including: Total number and %, to include: raised by YC staff about YC services; raised by YC staff about relative / other agency; % upheld by care management as safeguarding; % not upheld as safeguarding being dealt with internally.

(c) Complaints (2012/13)

<b>Barnet Homes Complaints</b>	<b>Year</b>	<b>Number Logged</b>	<b>% in Time</b>	<b>% Justified</b>
<b>Stage 1</b>	12-13	821	97%	44%
	11-12	672	96%	36%
<b>Stage 2</b>	12-13	58	90%	8
	11-12	47	94%	9
<b>Stage 3</b>	12-13	7	100%	1 upheld
	11-12	6	100%	1 upheld
<b>Ombudsman enquiries</b>	12-13	18	100%	0
	11-12	8	100%	3 partially upheld

Figures for 2012-13 include Housing Options. Removing this service gives comparable figures for the year against last year of 747 Stage 1 complaints logged and 39 Stage 2 complaints, and 4 Stage 3 complaints. Ombudsman enquiries would have been 15 without HO.

<b>Your Choice Barnet Complaints</b>	<b>2012-13</b>	<b>2011-12</b>
<b>Stage 1</b>	1	n/a

We have still received just one formal complaint for Your Choice in the first half of the year. Details of this were included in a previous report.

During 2012/13 we received 11 compliments across the services.

(d) Sickness

<b>Average Days Sickness per FTE</b>	<b>2012-13</b>	<b>2011-12</b>
<b>Barnet Homes</b>	6.8 days	6.8 days
<b>Your Choice</b>	15.3 days	n/a
<b>No. staff with 20 or more consecutive days sick leave in period (% of FTE workforce)</b>	<b>2012-13 Mar 13</b>	<b>2011-12 Mar 12</b>
<b>Barnet Homes</b>	11 (3%)	7 (3%)
<b>Your Choice</b>	10 (9%)	n/a

Barnet Homes' sickness performance met target of 6.8 days and out-turned the same as 2011/12.

Business Services out-turned at 4.0 days vs. 7.4 days for operations, with our worst performing area being environment (10.3 days) which is driven by high sickness levels in caretaking. HR is working very closely with the caretaking management team, and some of the actions taken include seeking alternative medical assessments in two cases.

Your Choice sickness, whilst high is better than previously reported to the board. This was due to some incorrect data held in the system.

We will always see higher sickness levels for care and support services to minimise infection control for staff that have colds / viruses. In a normal office environment staff may still come to work, but can't in these services in case they pass these on to vulnerable clients.

### **3.0 Key activities**

3.1 In addition to embedding Your Choice and Housing Options into the Group, in the last year we successfully delivered a wide range of key projects which include:

- New Business – We successfully tendered for two of the nine early intervention lots tendered by LBB Children's services and these are due to commence shortly
  - 2012 saw the launch of our successful tenancies project. Our so far so good report is attached as appendix a setting out our achievements to date
  - We obtained a four star rating in respect of Health & Safety management within Barnet Homes and are now seeking a similar achievement across the Group.
  - We launched Let2Barnet, an initiative for home owners to rent their properties out to Barnet Homes
  - We saw the launch of Safe places within the Borough, enabling service users of Your Choice to feel safe when they are out in the Community
  - We saw the preparation for the launch of Casserole, an initiative created by Future Gov enabling people to share portions of their dinner with those who do not have access to healthy food themselves
  - We delivered an Autism training service and provided support with our own expertise in Autism, which included our involvement in Autism Awareness day
  - We put in place skills to commence new build development on behalf of the Council
  - We began a major IT project entitled All systems go which will see us replace all of our main systems over a two year period.

## 4.0 Resources

- 4.1 The creation of the Group has seen the numbers of staff nearly double in size with the introduction of Your Choice and the Housing Options service. The Director of Operations, Amanda Jackson left Your Choice towards the end of the year and we decided not to replace this role directly but to create a Head of Care & Support to bring together Your Choice services and the Barnet Homes Sheltered Housing and ASSIST services. In addition we also created two new Head of Service posts in New Build and New Business.
- 4.2 The year end sickness figures for the Group differed significantly across Barnet Homes and Your Choice. Within Barnet Homes we managed to meet our target of 6.8 days but for Your Choice we finished the year with 15.3 days. The Your Choice Board is focussing on sickness this year to ensure we exceed our target of 12.5 days. Barnet Homes new target is 6.5 days for 2013/14.
- 4.3 In respect of staff turnover, these figures are high due to the restructures that we have carried out across the business. The table below shows the current turnover figures:

Barnet Homes	Your Choice
11.6%	9.2%

- 4.4 All permanent employees within the Group had appraisals in 2012/13 and all employees within Your choice held Criminal Records Bureau (CRB) checks with the majority of Barnet Homes staff also having been checked. Changes to CRB are now in place which will see a reduction in those checked.
- 4.5 The table below sets out the diversity information in respect of the Group employees:

Ethnicity	Barnet Homes	Your Choice
Asian	10%	5%
Black	21%	29%
Mixed	2%	3%
White	59%	50%
Other	2%	1%
Unknown	6%	12%

## **5.0 Financials**

- 5.1 The Group financials show a strong position for the Year 2012/13 with a surplus of £550k achieved through a surplus in Barnet Homes of £620k and a loss within Your Choice of £70k.
- 5.2 The surplus in Barnet Homes was an excellent achievement as the management fee was reduced by £0.5million for the year as part of a series of agreed management fee reductions over five years. In addition we were able to achieve General Fund efficiencies within the Housing Options service of £330k.
- 5.3 The loss of £70k within Your Choice was a positive outturn for the first year and was delivered following £180k worth of efficiencies. The move from a block contract, paid in advance to payment by use, paid in arrears has created some financial challenges for Your Choice as this will mean we will receive approximately £1million less income in the next year.
- 5.4 It has been a difficult process moving to payment by actuals as we are yet to agree a charging policy and this means there are a number of invoice disputes which in turn has meant payment from the Council has been delayed. These issues are being rectified but there are still areas outstanding in respect of payment which includes accompanying service users when they are being transported to, and from the services and non attendance.
- 5.5 Significant effort was put into validating service users needs at year end and whilst this is not fully complete this work has meant the new year has been easier to reconcile.
- 5.4 To support these changes, Barnet Homes lent Your Choice £1million to be repaid over three years and consultation commenced in March over a number of proposed changes within Your Choice aimed at addressing the financial shortfall and enabling Your Choice to operate at the market rates set by the Council.
- 5.5 The proposed changes have generated significant external interest and many aspects of the proposals have been misrepresented as a consequence. The Your Choice Board will be shortly considering the final proposals.

## **6.0 Risks**

- 6.1 The Group has a risk management strategy which is overseen by the Group Audit & Risk Committee. We also have a process for ongoing review of risks with the Council. The key risks we are currently managing are:

- Demand on temporary accommodation and housing need could lead to significant overspends in respect of temporary accommodation and general fund expenditure
- Welfare reform and impact on revenue collection and tenancy sustainability could lead to significant reductions in HRA revenue and increases in homelessness.
- Health & safety of residents and their properties could lead to significant increase in expenditure on repairs
- IT infrastructure could lead to inability to implement self service for staff and customers
- Management of homes in Regeneration areas in respect of delays causing difficulties in housing management and expenditure on repairs
- Financial position of Your Choice in respect of moving from a block contract to payment by use and the cashflow implications of moving to payment in arrears
- Introduction of personal budgets and direct payments to service users within Your Choice leading to a reduction in revenue

## **7.0 Review Meetings**

- 7.1 The Barnet Group and the Council have operated to the structures created last year with monthly meetings occurring separately for Your Choice and Barnet Homes with colleagues in the Council. These meetings carry out a number of key tasks such as reviewing performance and dealing with emerging issues.
- 7.2 We are expecting these to change slightly with the introduction of the new commissioning structure within the Council and its new service delivery partners.

## **8.0 Customer Involvement**

- 8.1 In Your Choice, we have not progressed customer involvement as much as we should have done. The Your Choice Board approved a customer engagement strategy and implementation has begun but this didn't occur until the end of the year. We continue to run meetings for carers and families in some of our services but not across all, but these will be in place and operating effectively this year. In addition we will be setting up a scrutiny panel in Your Choice where family members can be trained in scrutinising our services.
- 8.2 Within Barnet Homes we have continued to use our tried and trusted approaches and whilst we still have improvements to make we now have several thousand residents involved in some way. Examples are:
- Resident Associations - There are 14 resident & community associations who we actively support with advice, training and grants



- Mystery Shopping – 78 residents taken from the VIEWPOINT group and CIH training report back on their experiences following real interactions with the company
- Resident Inspectors - 6 Resident Inspectors have been trained using CIH and 4 of these are now part of the reality checking programme
- Stage Three Complaints Panel – a panel of four residents drawn from a pool of twelve which includes resident Board directors, meets as required across the year to hear complaints. In 2011/12 the panel heard six complaints.
- Performance Advisory Group (PAG) – comprising nine tenants and one leaseholder the group meet every six weeks with an agenda that is agreed together with Barnet Homes. The current focus is on covering the different consumer service standards included in the HCA Regulatory Framework for social landlords, a review of resident involvement provision across the company, PAG also write the annual report to residents and receive regular performance and complaints reports.

## **9.0 Governance**

- 9.1 The new Governance arrangements put in place for the creation of the Group have served us well for the first year of operation. The Group Chair, Deep Sagar resigned during the year which led to the appointment of an interim Chair, Terry Rogers, who will remain in place until the Council have completed the appointment process for a new Chair.
- 9.2 Within Your Choice, we have continued to struggle to appoint to the vacancy on the Board for a service user. We have carried out two separate processes but as yet have not been able to appoint someone suitable.
- 9.3 Within Barnet Homes, we saw one of our independent and Leasehold Board Members step down and we appointed two new members to replace them.
- 9.4 All of the Board have recently met to review the Groups Governance arrangements and will have further discussions about how these can be improved.

## **10.0 Looking forward**

- 10.1 The Barnet Group has developed a five year business plan which has the following high level goals:
- Support that enables our customers and service users to lead improved and where possible more independent lives

- Value for money services that our customers and service users want
- Developing the Group to meet our strategic goals

These goals link directly to the Councils strategic objectives 'improve the satisfaction of residents and businesses' and 'support families and individuals that need it'.

10.2 In conjunction with the Council we have agreed the following 'super kpi' activities:

- Undertake a healthy living campaign for its employees and customers
- Commence a new build programme in borough and seeking access to properties outside the borough to support the demand on housing
- Deliver employment and training opportunities including apprentices and graduates
- Implement a programme aimed at identifying and support dementia amongst its customers

10.3 The other key improvement activities we are focusing on are:

- Renewal of the Barnet Homes Management agreement
- Completion of our All Systems Go programme
- Preventative work around welfare reform
- Digital inclusion programme
- A series of service reviews aimed at improving satisfaction
- Further progression of new build opportunities
- Further growth through new business
- Changes to driver further efficiencies
- Embedding our changes within Your Choice

10.4 Over the next twelve months within Your Choice we will be seeking to achieve the following:

- Implement the new staffing structure, embedding new teams and new roles, without impacting on service delivery
- Support and increase customer choice and/or maintain people's independence
- Achieve high quality standards and improve outcomes for our customers
- Make our income go further by maximising our revenue and delivering efficiencies where we can
- Raise our profile and achieve growth and new business for future financial viability

10.5 Over the next twelve months within Barnet Homes we will be seeking to achieve the following:

- Deliver against our Asset Management strategy, complete viability assessments on our stock and agree plans in respect of new build development
- Ensure we are safeguarding our customers, employees and assets
- Develop our service offer to be as great in as many service areas as possible
- Build upon the success of successful tenancies
- Transform our ways of working and develop our internal talent

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# Successful Tenancies 2012-14

## So far so good?

### Interim Progress Report 1 year on



#### Introduction

In April 2012 we launched our revised Successful Tenancies strategy in response to the changing economic and social landscape surrounding social housing. The Coalition's Government's programme of radical welfare and tenancy reform has led to a complete reassessment of "What is our job now?"

#### Key drivers:

- Reduced public spending
- Welfare reform and the increased importance of financial inclusion
- Partnership working with residents, partners, peers and the voluntary organisations
- Promoting personal responsibility and independence
- Fixed term tenancies and enabling residents to move on through training and employment opportunities

#### What is our job now?

**"Tenancy sustainment remains as important as ever but now with a greater emphasis on enablement. We need to concentrate far more on equipping tenants [and housing applicants] with greater levels of self-reliance and non-dependency to improve their lives and those of their children... this may mean they do not remain in social housing but are able to sustain improved lives, possibly in the private rented sector, or in homeownership."**

In response we have identified four key theme areas to help meet this ambition.

This interim progress report seeks to identify how we are doing against those themes and in overall terms in relation to sustaining tenancies.

## 1) Financial Inclusion [Lead: Anne-Marie Isaacs]

**“We know that younger tenants, new tenants and particular BME groups are at greater risk of tenancy failure”**

**It remains the fact that in Barnet that if you are younger, or Black African or a relatively new tenant, you are statistically more likely to have higher levels of personal debt and be at greater risk of tenancy failure.**

Key Actions	Progress to date
<p>To further refine our customer insight information to enable us to target our financial inclusion resources more effectively</p>	<p>We have set up an area of Saffron to capture new information critical to understanding household finances and plan our support options. We continue to maintain the monthly profile tracking data that is reported across the organisation.</p> <p>Our performance team work closely with Rental Income to provide analysis of income profiles and arrears patterns as well as doing work that links the monthly customer profile data to customer arrears, this is used for example to inform the young persons and BME arrears tracking PIs</p> <p>We record the details of customers who take part in training and employment projects and link this to arrears to assess the effectiveness of these services.</p> <p>We will take a data extract at year end to inform the one year on analysis and also provide a baseline going forward to allow us to track the impact of welfare reform changes in 2013/14.</p>
<p>To review our approach towards financial inclusion against best practice and alongside our current approach towards housing benefit advice</p>	<p>The Rental Income Team (RIT) has been restructured to prepare for the impact of Welfare reform. Two welfare benefit advisors will be in place and will work across the organisation but focus 50% of time within Housing Options and 50% of time within the RIT. They will also take the lead on supporting our young adults on 2 year flexible tenancies.</p> <p>Three HB assessors are embedded within the RIT concentrating on Temporary Accommodation arrears but also supporting current tenants. We hope to retain this approach after the Council's Revenues and Benefits service is outsourced.</p> <p>We continue to promote Christians against Poverty (CAP) to assist and support those struggling with money management to become debt free.</p> <p>As a new service development for 2013/14 we have agreed £40,000 to support an approach in partnership with Islington Council to tackle fuel poverty.</p>
<p>To deliver the objectives of the “Reaching Communities” Big Lottery application to enable BME residents to reduce their risk of personal debt or tenancy failure</p>	<p>We have appointed a Community Link Officer (CLO) within the RIT. Excellent engagement has taken place with Churches in the community and to date we have 14 volunteers for training in the field of welfare benefit advice. Our CLO is also managing a small case load of our Black African tenants in arrears to help them reach a debt free position.</p>

<b>Key Outcomes and Measures</b>	
Reduced % of black tenants in arrears	March 2013 49% of black tenants were in arrears compared with 49% in March 2012 = no change 😊 (against a backdrop of higher rents, welfare reform and economic downturn)
Reduced % of tenants under the age of 25 in arrears	March 2013 68% of young tenants were in arrears compared with 68% in March 2012 = no change 😊 (against a backdrop of higher rents, welfare reform and economic downturn)
Arrears as % debit top quartile in London	March 2013 2.38% compared with 2.41% in March 2012 - a further improvement and this is likely to be top quartile performance in London 😊
A real example of how we have changed someone's life through this work	<p>Ms A is a black African tenant living on the Grahame Park estate. She was offered an insecure tenancy in August last year and has always been in arrears since. She is married to a man who cannot work or claim any benefits until his migrant status is determined by the Home Office. Ms A has a 7 month old baby and is in receipt of child benefit and child tax credit. Our CLO Adjoke started supporting Ms A in January because we noticed that she had been sent a second arrears reminder and also that she is not claiming all entitled benefits.</p> <p>When we met Ms A, she explained that she works 1hr per week (cleaning) and earns £35 per month. She also receives Child benefit and Child Tax Credit, which amounts to £62 per week. She was struggling because she was the only income earner in the house. In order for her to be able to pay some rent weekly, we referred Ms A to the food bank in Grahame Park where she collected food weekly (this meant that she did not have to do much food shopping for food). We supported her to apply for Job seekers allowance and she has now started signing on and receiving help with CV writing and job search from the jobcentre.</p> <p>We have applied for a grant from a charity to help reduce her rent arrears to a manageable amount and a grant of £250 has been awarded.</p> <p>When this cheque comes through, Ms A will only be left with the sum of £96 rent arrears and will hopefully clear this very soon with a repayment agreement and steady payments, which will be possible because she now receives Job seekers allowance and has more income.</p> <p>Miss A has also asked for support to gain skills needed to find a better job and we are now trying to access free care training for her. 😊</p>

## 2) Welfare Reform [Lead: Kevin Turnpenney]

**“The aim is to... deliver a system that is simpler, fairer and ensures that work always pays helping to break the cycles of deprivation that trap people in poverty and unsuitable housing.”**

**“This will encourage more people especially in the social rented sector, to manage their own budget in the same way as other households.”**

**“Welfare reform will work hand in hand with our plans for social housing to help reduce overcrowding, shorten waiting lists, increase mobility, incentivise work for tenants...”**

Key Actions	Progress to date
<p>In partnership with other organisations, to improve our intelligence of our customers so that we can more accurately understand the impact of welfare reform</p>	<p>We are a key member of the Council’s Welfare Reform Steering Group working alongside other partners including Job Centre Plus/Department of Works and Pensions.</p> <p>We have used a number of approaches to ensure that our tenants who will be affected by welfare reform understand the implications and their options. We have achieved this through a campaign of around 1,000 home visits, posters and leaflets explaining welfare reform have been produced and delivered to all blocks. Welfare reform has featured at our Resident Hub meetings, in our At Home magazine and on our website.</p> <p>Our home visits achieved an 81% access rate and had the following outcomes:</p> <ul style="list-style-type: none"> <li>• 70% are looking to pay the shortfall in benefit</li> <li>• 18% are interested in moving to a smaller property</li> </ul> <p>The remainder will either take in lodgers, receive information about training and employment or refused to answer.</p> <p>Housing Options have commenced visiting applicants in temporary accommodation on the changes and will shortly being visiting at risk tenants in the private rented sector as a proactive approach towards homeless prevention.</p> <p>We have created our own local partner network of community groups, RSLs and government agencies to support each other with shared resources and experiences.</p>
<p>To work with the members of the London Housing Directors forum to develop preventative strategies towards welfare reform and to share learning</p>	<p>We are a lead member of the Welfare Reform sub group established by the London Housing Directors Forum. Meeting are around 6 weekly to share experience, intelligence and approaches to welfare reform. Some of the group, including ourselves worked together on a well received You Tube video on welfare reform which has received widespread coverage.</p>
<p>To develop an approach to maximise the ability for tenants to move in response to changes in benefit payments for under-occupation</p>	<p>Where welfare reform visits have flagged a wish to trade down these cases have been registered for a move. Tenants were advised that realistically their quickest way to move would be by mutual exchange. We have held a “matchmaking” event for potential exchangers in November 2012 using the data we had on households that were under occupying. This included housing association residents and those that were overcrowded.</p>



	<p>The aim of the event was to get the message across regarding:</p> <ul style="list-style-type: none"> <li>• Promotion of Mutual Exchange and Trade Down</li> <li>• Welfare reform,</li> <li>• The changes in the allocation policy</li> <li>• Supply and demand of social housing.</li> </ul> <p>We want to encourage residents to be pro active in finding a property to meet their family needs. The event was lively, sociable and was a real success. Using the information collected we have managed to move 12 families into the right size property.</p> <p>The second event held on the 10<sup>th</sup> April 2013 was by invitation as we held a waiting list from the previous one also utilised the information gathered from the Welfare Reform visits. Approximately 65 families attending with very positive feedback. Two households matched up and the exchange process has started.</p> <p>The next step is to hold regular Mutual Exchange surgeries including Housing Benefit, Rental Income (welfare reform) and Let2Barnet, behind the scenes we will be working on all the data gathered and match potential households together. The next Matchmaking event is to be held on the 10<sup>th</sup> July and we will be hosting for other Barnet RSL's.</p>
<p>To review our current approach towards Housing Benefit advice and to maximise the use of Discretionary Housing Payment (DHP) where appropriate</p>	<p>We have worked closely with Housing Options to maximise use of DHP and Homeless Prevention fund to reduce threat of eviction/sustain tenancies. This has included payments made to existing secure tenants for the first time.</p> <p>A total of over 1,000 payments have been made to a total of £567k or 61% of the total monies available. This is more than the previous two years added together.</p> <p>DHP will now form part of the Crisis Fund and will in future be administered by the Council. We are currently meeting with the Council to ensure that appropriate protocols are in place for speedy decisions on DHP type awards are made for our customers.</p>
<p>To develop an agreed approach towards high debt levels and tenancy sustainment with Barnet Council</p>	<p>The Council's Welfare Reform Strategic Board has within their action plan a review of the income collection strategy by September 2013. This will enable us to agree a joint approach to debt management.</p> <p>A process is in place to measure the impact of under occupation charges over the first 2 months and how this is impacting arrears.</p>

Key Outcomes and Measures									
10% increase in tenants paying by direct debit over 2 years	<p>In Year 1 there has been a 5.9% increase in tenants paying by direct debit. 😊</p> <table border="1"> <thead> <tr> <th>March 2012</th> <th>March 2013</th> </tr> </thead> <tbody> <tr> <td>Dwellings: 2040</td> <td>Dwellings: 2169</td> </tr> <tr> <td>Garages: 572</td> <td>Garages: 606</td> </tr> <tr> <td>Total: 2612</td> <td>Total: 2775</td> </tr> </tbody> </table>	March 2012	March 2013	Dwellings: 2040	Dwellings: 2169	Garages: 572	Garages: 606	Total: 2612	Total: 2775
March 2012	March 2013								
Dwellings: 2040	Dwellings: 2169								
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Total: 2612	Total: 2775								
Maintain tenancy failure rates to within 10% of existing levels	Total tenancy failures [All evictions and abandonments] for 2012/13 was 31 compared with 22 in 2011/12 😞 In the main this appears to be as a result of increased rent arrears evictions as outlined previously								
Arrears as % debit top quartile in London	March 2013 2.38% compared with 2.41% in March 2012 - a further improvement and this is likely to be top quartile performance in London 😊								
98% Discretionary Housing Benefit used to sustain tenancies	<p>We spent 61% of the available DHP budget. 😞</p> <p>This still equated to more awards made and monies spent than in the previous two years combined potentially sustaining an additional 1,000 tenancies.</p> <p>Mr H was affected by the local housing benefit limits. His family composition is 2 adults and 3 children in a 3 bedroom private sector property. The rent is £500 p/w and Housing Benefit pays £340 p/w, the shortfall is £160 p/w. We requested DHP to pay the shortfall and this was awarded until end of March 2013 and has now been extended September 2013.</p> <p>We have able to sustain the tenancy because if DHP was not requested and awarded, the family would have been in rent arrears and evicted for non-payment of rent becoming a homeless presentation statistic in high cost emergency accommodation. This will buy both us and the family time to consider a more affordable long term solution to their housing position</p>								

### 3) Flexible Tenancies and Tenancy Support [Lead: Elliot Sweetman]

**“There is a relationship between social housing and disadvantage that is often seen as a block to social mobility. Too many people are effectively trapped – lacking incentives to work, and often unable to move even if they wanted to. Both under-occupation and overcrowding are widespread.<sup>1</sup>”**

**“The introduction of flexible tenure will, over time, increase mobility and encourage tenants and landlords to consider what is the most appropriate housing at the different life stages of tenants and their households.”**

Key Actions	Progress to date
To establish a lean flexible tenancies process from pre-tenancy to review and determination of the tenancy	<p>We have developed a process covering the period of tenancy commencement to tenancy review has been developed, received legal ratification and is currently in place on an interim basis pending final approval following consultation in April 2013. A full suite of Indicators has been developed which includes the capture of; tenants in training/employment, tenants involved in ASB, tenants in rent arrears &amp; tenant support referrals made.</p> <p>Work is currently in progress in conjunction with LBB regarding the development of a “pre-tenancy” process.</p>
To develop a communications plan both internally and externally to raise awareness and champion the benefits	<p>The Phase 1 Communication Plan has been delivered and has included:</p> <ul style="list-style-type: none"> <li>• Created or reviewed documentation – tenancy agreements, welcome leaflets.</li> <li>• Drafted communications to all affected tenants and applicants</li> <li>• Informed Members and Board directors through briefings</li> <li>• Articles in At Home</li> <li>• Team briefings and Core brief to staff</li> <li>• Briefing packs done for managers</li> <li>• Article in Working Together</li> <li>• Website updated</li> <li>• Scripting and FAQs created and used for staff and on website</li> <li>• Changes communicated to local press</li> </ul> <p>A Successful Tenancies best practice seminar offered to landlords is being arranged for June 2013.</p> <p>Phase 2 Communication Plan is currently in development.</p>
To develop a menu of services to support young tenants in flexible tenancies including referral routes and partner organisation delivery models	<p>The “Next Step Pack” has been developed which includes the following:</p> <ul style="list-style-type: none"> <li>• Next Step Passport</li> <li>• Tenancy Risk Assessment</li> <li>• Menu of Support (which includes a comprehensive array of referral options)</li> </ul> <p>Work is currently in progress in conjunction with LBB regarding the development of a “pre-tenancy” support process.</p>
To review the impact of the council’s Tenancy Strategy	Not yet due to be commenced.
To effect culture change	Internal stakeholder and training sessions have been held and

<sup>1</sup> Laying the Foundations: a Housing Strategy for England - November 2011

within the various tenancy management teams increasingly towards enablement and advocacy over traditional housing management approaches	this area continues to be developed, with an internal/external stakeholder session being scheduled for April 2013 to consult on the Flexible Tenancies procedure, and the effectiveness of referral agencies.
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<b>Key Outcomes and Measures</b>	
To establish a baseline of tenancies likely to be re-let as a result of flexible tenancies	Effective ongoing monitoring of flexible tenants through the existing measures will allow a baseline to be established once the tenancies have progressed far enough into their fixed periods. 😊
Real examples of the impact on someone's life through this work	<p>Mr A aged 19 was housed due to vulnerability and 'positive community contribution' through his building apprenticeship. He was also placed on a 6 month life skills programme to learn budgeting skills, cooking etc.</p> <p>His apprenticeship pays less than the minimum wage and it was noticed through tracking that he had increasingly irregular rent payments due to financial pressures. Our Housing Support team have applied for discretionary extra housing benefit and advised on other options including sign posting to furniture and food banks and the possibility of providing a bike (from police stores) to reduce travelling costs.</p> <p>Mr A continues to have a good dialogue with Barnet Homes so issues are flagged early with on-going support from Barnet Homes to fulfil his life plan (which he has shared with his housing officer). 😊</p> <p>A video testimonial of a successfully supported flexible tenant is due for completion to support the Successful Tenancies seminar.</p>
Menu of support services established with agreed referral routes	<p>The "Next Step Pack" has been developed which includes the following:</p> <ul style="list-style-type: none"> <li>• Next Step Passport</li> <li>• Tenancy Risk Assessment</li> <li>• Menu of Support (which includes a comprehensive array of referral options) 😊</li> </ul> <p>Work is currently in progress in conjunction with LBB regarding the development of a "pre-tenancy" support process.</p>
Grants levels secured for support activity from external sources etc.	Housing Support team generated £150k of income in first 11 months of 2012/13 via backdated benefits of all forms and charitable grants 😊
Evaluation of the added value of the various elements of the menu of support	<p>Not yet due to be commenced but here are a few facts in relation to flexible tenancies:</p> <ul style="list-style-type: none"> <li>• Over 80% of tenants on 2 year flexible tenancies owe less than 4 weeks rent</li> <li>• Over 85% of young people on flexible tenancies are in education, training or employment</li> <li>• No 2 or 5 year flexible tenancies are subject to action for causing nuisance</li> <li>• Average rent arrears for 5 year flexible tenancies are lower than for all other forms of tenancy [secure/non secure] 😊</li> </ul>

#### 4) Training and Employment [Lead: David Thomas]

**Social housing tenants are less likely to be in employment than similar individuals in other tenures.**

**“The best way to help people build a secure future for themselves and their families is to help them find a job.”**

Key Actions	Progress to date
<p>We will map out how we spend £1m per week and how much leverage for employment and training we achieve from that spending power</p>	<p>Our baseline shows that 50% of our staff live in the borough. With our main partners we employ over 220 staff within borough and over 20 apprentices. With our main partners we spend over £2m through local suppliers and we estimate that 37% of our staff will spend on average over £100 per month in local shops.</p> <p>We believe that we can increase our leverage through both our own spend and that of our contractors to the benefit of the local community and will look to do so over the coming year. In addition our new build programme gives a chance to develop further employment creation and to use small and medium sized local enterprises. We will look at the opportunities of the new Social Value Act 2012 to see if this can help ensure further benefits for the local community through future procurement exercises.</p>
<p>We will undertake a “Barnet Homes stat” based on Burnt Oak as the largest stakeholder to see how with partners we can develop a plan to enhance the life chances of residents there</p>	<p>Our Burnt Oak stat took place in October 2012 and saw a variety of statutory, voluntary and resident partners come together to hear about why we need to create a network in Burnt Oak to deliver improvement.</p> <p>The success of the event was shown by the building of new contacts between community groups and between Barnet Homes and community partners. This is part of a Barnet Homes approach which has led to similar events e.g. welfare reform partnering session, digital inclusion summit and is helping to reinforce a partnering spirit across the business.</p> <p>Since the stat took place we have set up a work club in partnership with JobCentre Plus, a youth club in conjunction with local faith groups and an e-learning pilot was delivered in conjunction with UK Online. A Community Interest Company has also been created to lead the network and has successfully applied for funding from the Council’s innovation bank to recruit a worker to run the network and build on our vision of a digital broker to secure training and equipment for those currently offline. We have now grown the network to include health partners and recently signed up the local GP network. We have worked with contractor partners to plan refurbishment of the Resource Centre</p>
<p>To develop a Barnet Homes graduate programme and to further enhance the work experience and apprenticeship programme</p>	<p>Our pilot <b>Graduate Scheme</b> has been implemented with a view to defining the scheme in the second year to move to a rolling corporate programme.</p> <p>Corporate Scheme – consists of 2 graduate trainees who will follow a typical graduate programme of different placements with a clear development programme. We are currently liaising with the National Local Government Graduate Programme for the development programme. This scheme focuses on growing</p>

	<p>future leaders.</p> <p>Business Services – The Business Improvement team has created 3 graduate trainee positions which will be based in the service with no placements to other service areas. These roles will then be converted to permanent positions after a two year programme</p> <p>Housing Options Service - An approach to growing the skills required for this key frontline service was adopted with a tailored programme of graduate trainees dedicated to developing the right skills, expertise and knowledge base. There are now 5 graduate trainees within Housing Options taken on incrementally between September 12 and January 13.</p> <p><b>Work Experience</b> – we have developed good working relationship with Barnet Education Business Partnership [BEBP] who advertise placements in schools. To strengthen this partnership, we are developing a Volunteering Scheme which will see our employees visit schools to promote The Barnet Group as an employer to increase the numbers of students seeking work experience with us.</p> <p><b>Apprenticeships</b> – We have 12 Apprentices and 1 on an advanced apprenticeship programme. This is in addition to the apprenticeships offered by our contractor partners. The apprenticeship programme is now in its second year and work has already commenced to ensure we meet our target for next intake. A local Apprenticeship fair has given with potential applicants to be following up on. We have considered BEBP as a potential recruiter for the next intake.</p>
<p>To secure further funding and delivery opportunities with partners to develop training and access to employment schemes</p>	<p>One of the key factors in the commissioning of our employability courses is always that they should be at no cost to residents. We are able to do this because of strong contacts across the sector in Barnet and our active role in the Barnet Employability Group.</p> <p>We want to develop a level three Chartered Institute of Housing [CIH] accredited course and also to explore whether Cheshire Hall could become a City and Guilds accredited venue which will allow us to expand the range of training offered.</p> <p>One of the key successes of our training programme is that other housing providers choose to purchase places for their resident this allows us to save money and also build good partnerships.</p> <p>Talks with existing repairs contractor Mears are ongoing with regards to construction training opportunities in three different types of schemes throughout 2013/14.</p>
<p>To review the effectiveness of the existing employment and training activity undertaken within Barnet Homes</p>	<p>Recent analysis shows that over 50% of delegates passed our CIH course (this is higher in the last couple of years as we have a new trainer). Of those that pass two thirds find employment and more than one in four go on to have further involvement with Barnet Homes including three Board members and four PAG members. The cost per person is £36 per day for the 12 day course.</p> <p>We now need to do similar analysis of other forms of training that we provide or facilitate.</p>

<b>Key Outcomes and Measures</b>	
Numbers identified as benefiting from our training and employment activity	In-house training courses = 96 Referrals to LBB Platforms = 38 Signposting via mail outs = 118 Total 252 😊
Numbers achieving employment as measured 6 and 12 months later	From CIH of the 43 passes 30 are now in employment or are self-employed but more work to be undertaken on analysing the outcomes of our other courses provided 😊
Change in leverage achieved from £1m per week spend	Baseline established, forward target for local employment added to TBG Business Plan. One contractor targeted to review spend with local suppliers. To be re measured in around 18 months time. 😊
Real examples of the impact on someone's life through this work	<p>Ms J has been a tenant at current address since 2000. Rent payments have always been erratic resulting in court action for rent arrears. Having been made redundant in 2010 Ms O saw an article in AtHome magazine for the CIH level 2 housing course. She thought the course sounded interesting and would enable her to widen her career choices.</p> <p>Ms J she found she gained a lot of knowledge about social housing, different tenancy types, legislation and customer care. She also enjoyed her work experience opportunity with Barnet Homes while on the course, giving her hands on experience in customer care and how to relate to customers.</p> <p>Following the course Ms J no longer receives Job Seekers Allowance having secured a permanent job working in housing. She has paid her arrears and her rent account is up to date. She is now managing her income to pay off other accumulated debts while keeping her rent payment up to date. 😊</p>
Outcomes from contractor and partner organisation activity	<p>Newly procured contracts have seen an intake of 10 trade apprenticeships in 2012/13 with an increased target for 2013/14</p> <p>Our contractual requirement for increased proportions of direct labour has meant significantly increased numbers of directly employed local trades-people across our 4 main contracts.</p> <p>We are currently in discussion with our repairs contractors Mears, to develop a menu of trade skills training options resulting in a qualification and a guaranteed apprenticeship interview.</p> <p>Training opportunities from Mears including – refurbishing a void property, DIY skills and use of the Mears training facility in Welwyn Garden City</p> <p>Support for the Love Burnt Oak project through refurbishment of the Resource Centre</p>

## Conclusion - Overall tenancy sustainment

### Have we evicted less tenants for rent arrears whilst improving collection rates

Key Performance Indicator	Then	March 12	😊or 😞	March 13	Last 12 months 😊or 😞	Last 6 years [or so]
Rent arrears as % of the total debit collectable	2006/07 2.93%	2.41%	Down 18% 😊	2.38%	Down 1.2% 😊	Down 19% 😊😊
Court referrals for rent arrears	2006/07 358	146	Down 59% 😊	190	Up 30% 😞	Down 47% 😊
Rent arrears evictions	2005/06 40	9	Down 78% 😊	13	Up 44% 😞	Down 70% 😊😊
Average new tenant arrears after 6 months	2007/08 £262	£180	Down 31% 😊	£209	Up 16% 😞	Down 20% 😊
Tenants owing more than 5 weeks rent	2006/07 6.87%	4.7%	Down 32% 😊	4.0%	Down 15% 😊	Down 42% 😊😊
Tenancy failures [all evictions and abandoned tenancies]	2006/07 62	22	Down 42% 😊	31	Up 41% 😞	Down 50% 😊😊

**As expected the last 12 months have been challenging as the result of a combination of factors:**

- The continued economic down turn
- Rent increases, price rises for key household consumables such as utility bills and a wider squeeze on disposable income and wide spread pay restraint in place
- Increasing proportions of customers being reliant on full or more particularly partial housing benefit
- Welfare reform

**Whilst collection rates have remained strong there are beginning to be signs of pressure on tenancy sustainment. When we look overall at the longer period of time we can still see significant benefit from our new approach but it is clear tenancy sustainment is going to be a major challenge going forward.**

**It is interesting to see that the impact of flexible tenancies has been positive and that there is much to learn from this approach in relation to both secure and non-secure tenancy management.**

**The bigger challenges of bedroom tax, benefit caps and universal credit either are or will shortly be upon us. It will be interesting to look at this again in 12 or 24 months time to see how our preventative measures are holding up.**

Derek Rust  
Director of Operations [April 2013]



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<b>Meeting</b>	Contract Monitoring Overview and Scrutiny Committee
<b>Date</b>	18 June 2013
<b>Subject</b>	<b>Contract Monitoring Overview &amp; Scrutiny Committee Forward Work Programme 2013/14</b>
<b>Report of</b>	Scrutiny Office
<b>Summary</b>	This report outlines the Committee’s draft work programme for 2013/14

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<b>Officer Contributors</b>	Andrew Charlwood, Overview & Scrutiny Manager
<b>Status (public or exempt)</b>	Public
<b>Wards affected</b>	All
<b>Enclosures</b>	Appendix – Contract Monitoring Overview and Scrutiny Committee Work Programme 2013/14
<b>Reason for urgency / exemption from call-in</b>	N/A

Contact for further information: Andrew Charlwood, Overview & Scrutiny Manager  
020 8359 2014, [andrew.charlwood@barnet.gov.uk](mailto:andrew.charlwood@barnet.gov.uk)

## **1. RECOMMENDATION**

- 1.1 That the Committee consider and comment on the items included in the 2013/14 work programme of the Contract Monitoring Overview & Scrutiny Committee as set out in the Appendix.**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 None.

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1. The Overview and Scrutiny Committees must ensure that the work of Scrutiny is reflective of the council's priorities.
- 3.2. The three priority outcomes set out in the 2013 – 2016 Corporate Plan are;
- Promote responsible growth, development and success across the borough;
  - Support families and individuals that need it – promoting independence, learning and well-being; and
  - Improve the satisfaction of residents and businesses with the London Borough of Barnet as a place to live, work and study.

## **4. RISK MANAGEMENT ISSUES**

- 4.1 None.

## **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 In addition to the Terms of Reference of the Committee, and in so far as relating to matters within its remit, the role of the Committee is to perform the Overview and Scrutiny role in relation to:
- The Council's leadership role in relation to diversity and inclusiveness; and
  - The fulfilment of the Council's duties as employer including recruitment and retention, personnel, pensions and payroll services, staff development, equalities and health and safety.

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 6.1 None in the context of this report.

## **7. LEGAL ISSUES**

- 7.1 None in the context of this report.

## **8 CONSTITUTIONAL POWERS**

- 8.1 The scope of the Overview and Scrutiny Committees is contained within Part 2, Article 6 of the Council's Constitution.
- 8.2 The Terms of Reference of the Scrutiny Committees are included in the Overview and Scrutiny Procedure Rules (Part 4 of the Council's Constitution).

## **9. BACKGROUND INFORMATION**

- 9.1 The Contract Monitoring Overview and Scrutiny Committee's Work Programme 2013/14 indicates items for the Committee to consider in the 2013/14 municipal year.
- 9.2 The work programme of this Committee is intended to be a responsive tool, which will be updated on a rolling basis following each meeting, for the inclusion of areas which may arise through the course of the year.
- 9.3 The Committee is empowered to agree its priorities and determine its own schedule of work within the programme.

## **10. LIST OF BACKGROUND PAPERS**

- 10.1 None.

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**London Borough of Barnet  
Contract Monitoring Overview  
and Scrutiny Committee**

**June 2013**

Contact: Andrew Charlwood 020 8359 2014 andrew.charlwood@barnet.gov.uk

Subject	Decision requested	Cabinet Member / Officer	Author
<b>18 June 2013</b>			
Contract Monitoring – Organisational Arrangements	The Committee to consider a report detailing: the organisational approach to the management of council contracts; and delivery and monitoring arrangements; and the working in partnership to deliver the overall vision.	Deputy Leader and Cabinet Member for Resources and Performance	Commissioning Group / Commercial Services
The Barnet Group End of Year Performance Report 2012/13	The Committee to review The Barnet Group Annual Report.	Cabinet Members for Housing and Adults	The Barnet Group / Adults and Communities Director / Housing and Environment Lead Commissioner
Parking Services Performance	The Committee to receive a report from the Street Scene Delivery Unit on the performance of the Parking Services contractor	Cabinet Member for Environment	Street Scene Director / Housing and Environment Lead Commissioner
<b>9 October 2013</b>			
Quarter 1 Performance (External Contracts)	The Committee to receive an update on the performance (financial and KPIs) of contracts within the committee's terms of reference.	Deputy Leader and Cabinet Member for Resources and Performance	Commercial Services / Commercial Services / Lead Commissioners
New Support and Customer Services Organisation (NSCSO) and Development and Regulatory Services (DRS) Contacts	The Committee to receive a report on the mobilisation of the NSCSO and DRS contracts.	Deputy Leader and Cabinet Member for Resources and Performance	Chief Operating Officer / Commercial Services

<b>Subject</b>	<b>Decision requested</b>	<b>Cabinet Member / Officer</b>	<b>Author</b>
Legal Services - Shared Services Update	<p>The Budget and Performance Committee to:</p> <ul style="list-style-type: none"> <li>Consider the performance the LB Barnet / LB Harrow legal shared service (HB Public Law); and</li> <li>Receive details of the legal shared service management agreement</li> </ul>	Leader of the Council	Commercial Services / Assurance Director
<b>13 January 2014</b>			
Quarter 2 Performance (External Contracts)	The Committee to receive a report summarising the performance (financial and KPIs) of contracts within the committee's terms of reference	Deputy Leader and Cabinet Member for Resources and Performance	Commercial Services / Lead Commissioners
The Barnet Group, Mid-Year Performance Report	The Committee to consider the mid-year performance of the Barnet Group.	Cabinet Members for Housing and Adults	Director of Operations – The Barnet Group / Director for Place / Director for People
Development and Regulatory Services (DRS)	The Committee to receive a report on the performance of the DRS contract	Deputy Leader and Cabinet Member for Resources and Performance	Chief Operating Officer / Commercial Services
<b>17 March 2014</b>			
Quarter 3 Performance (External Contracts)	The Committee to receive a report summarising the performance (financial and KPIs) of contracts within the committee's terms of reference	Deputy Leader and Cabinet Member for Resources and Performance	Commercial Services / Lead Commissioners

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