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# Newark and Sherwood Homes Limited

## **BUSINESS PLAN 2007 – 2010**

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## 1. Introduction

1.1 This Business Plan is the output from the Improvement Planning Process (IPP) that has been undertaken by Newark and Sherwood Homes and it is the master document that will guide the Company's business and ensure the delivery of its Vision, Objectives and Core Values. It includes details of the Company's organisational structure, policies, and its financial viability.

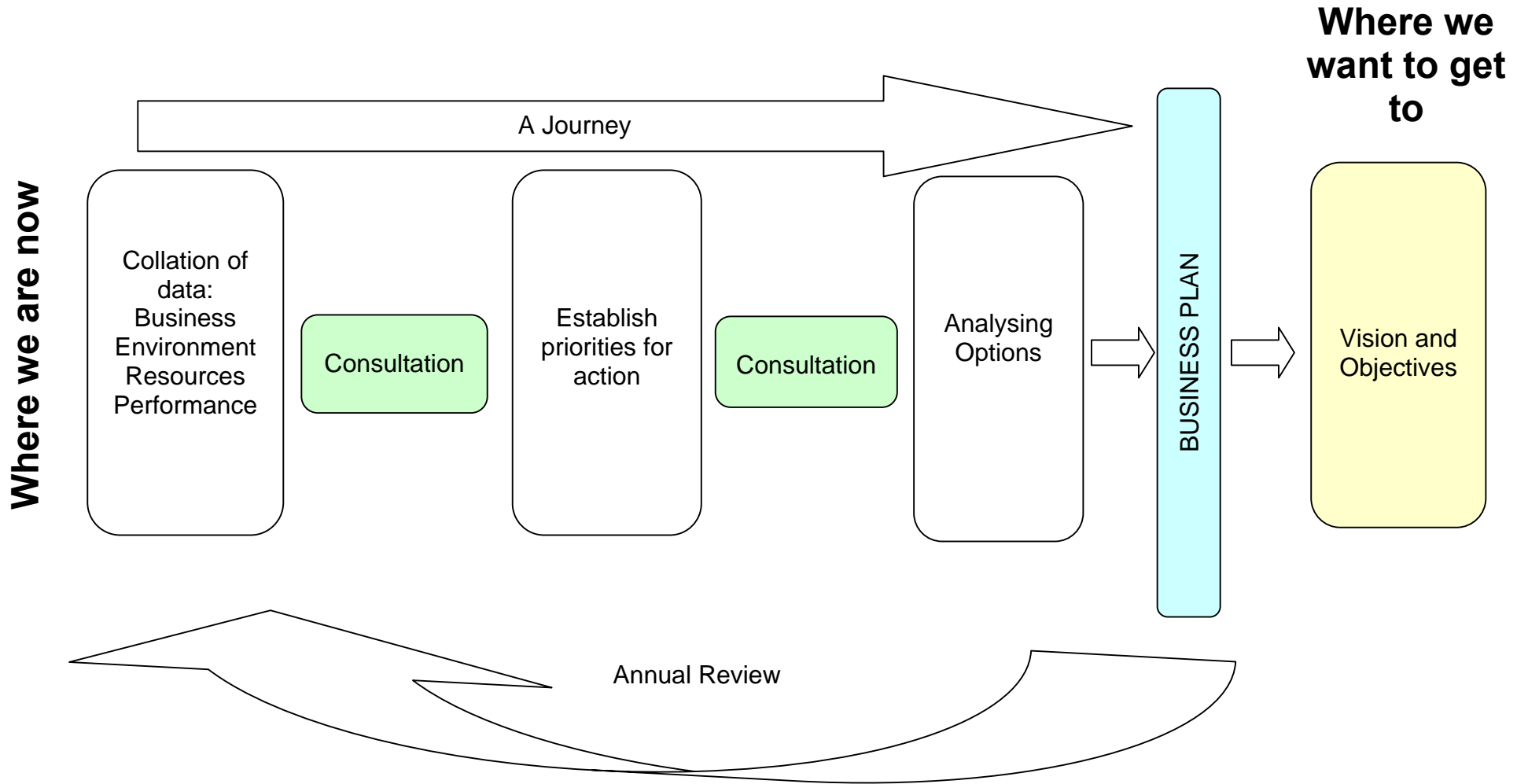
1.2 Since the Company commenced trading on 1 November 2004, it has developed, formulated and approved its Improvement Planning Process to ensure the Company has a robust strategic planning mechanism. The process can be seen diagrammatically on the next page. Consultation with stakeholders is integral throughout the stages of the process. The three stages of the Improvement Planning Process are:

- ◆ Collation of data  
This is a continual process of ensuring management information is maintained, monitored and actioned. It includes a range of sources including for example performance information, service usage information, customer comment and feedback.
- ◆ Establish priorities  
Through assessing management information in relation to our business environment priority areas to be addressed are identified.
- ◆ Analyse options  
The options to address the priority areas are identified and analysed considering action already taken, our circumstances, capacity and resources. This enables appropriate action to then be identified and built into an action plan.

1.3 This Plan has a number of Sections:

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## Improvement Planning Process



## **2. Context**

2.1 Newark and Sherwood Homes manages stock owned by Newark & Sherwood District Council, as the major provider of social housing in the area, it has provided good quality, well managed housing for its tenants and their families including the provision of housing advice to its local residents. The Company's business portfolio also includes providing services to third parties, e.g. Housing Associations and Town Councils. Newark and Sherwood Homes was formulated over a very short period of time. A decision to formulate the Company was made in December 2003 and the Company was registered in June 2004 and commenced trading on 1 November 2004 following the then Office of the Deputy Prime Minister's authority for the Council to delegate its service to Newark and Sherwood Homes. The Company was set up to meet a range of key housing issues in the district:

- To ensure homes meet the Decent Homes Standard.
- To provide homes that are safe, free from anti-social behaviour, secure and sustainable in terms of tenure, physical structure and physical environment.
- To ensure homes are fully maintained with modern facilities.
- To provide homes that receive a high standard of service that will improve, and is value for money.
- To facilitate the availability of affordable housing to balance the housing demand in the district.

2.2 At the time the decision to establish the Company was taken, the only issue considered not to be deliverable by the ALMO was the final one: To facilitate the availability of affordable housing to balance the housing demand in the district. Since 2004, this has remained a key priority for the Council and ALMOs have commenced finding ways to build affordable housing.

2.3 Newark and Sherwood Homes has one shareholder, which is Newark & Sherwood District Council. The constitution of the Company can only be amended by the Council and any substantial change to the constitution would require authority from the ODPM, (now the Department for Communities and Local Government {DCLG}). The services provided to the Council are governed by a comprehensive management agreement. The initial term of the agreement is to 2010 with an option for the Council to extend for five years.

2.4 The formulation of the Company and the successful achievement of a two star rating for the service in July 2005 has enabled the Council to access the first tranche (£15.5m) for 2005/06 and 2006/07 of the £49.5m funding bid to deliver the Decent Homes Standard to all Newark & Sherwood District Council's Housing by 2010.

## **3. Our Current Position**

3.1 This section has a number of sub-sections and details the Company's position in the core areas of :

- 3.1.2 Leadership and Governance
- 3.1.3 Resources and Performance
- 3.1.4 Customer Focus and Community Engagement
- 3.1.5 Organisation and People
- 3.1.6 Partnerships

## **3.2 Leadership and Governance**

### Governance and The Board

- 3.2.1. Under its Articles, the direction and control of the Company's activities are exercised by a main Board comprising 15 members representing a broad cross-section of tenant, Local Authority and professional interests. The Board currently meets on an eight-weekly cycle. Five members of the Board are nominees of Newark & Sherwood District Council, five are tenant members, and the remaining five are independents and bring experience from a variety of professions and business activities.
- 3.2.2 Three Committees have been set up. They are Human Resources, Finance & Probity, and Service & Performance, and are composed entirely of members from the main Board. The structure is annually reviewed for effectiveness.
- 3.2.3 The Board of Newark and Sherwood Homes is responsible for the delivery of services delegated to the Company under Section 27 of the Housing Act 1985. The Board has clearly defined roles, responsibilities and powers as set out in it's Constitution and the Companies Act 1985. The remits of the Committees are shown over at Fig 1.
- 3.2.4 The delivery of good governance is essential, and Newark and Sherwood Homes is required to demonstrate it has effective finance and management systems to undertake its delegated responsibilities. To meet this standard, Newark and Sherwood Homes' constitution is based on the Government's template documentation with only minor variations.

Fig 1 – Remits of Committees as at November 2006.

<b>The Board of Directors</b>		
<b>Service &amp; Performance Committee</b>	<b>Human Resources Committee</b>	<b>Finance and Probity Committee</b>
<p>To monitor all general Service performance including generic issues such as diversity, efficiency, access, satisfaction</p> <p>To develop and recommend to the Board the Company's Improvement Planning Process (including Best Value)</p> <p>To develop and recommend to the Board the outcomes of this Improvement Planning Process</p> <p>To monitor and review the Improvement Planning Process and the outcomes of the Improvement Planning Process</p> <p>To develop and recommend to the Board the Improvement Planning Process and it's outputs and outcomes</p> <p>To monitor, review and develop Service Level Agreements with the Council</p> <p>To develop, monitor and review communication processes including Public Relations, consultation and participation</p> <p>To monitor and review the Management Agreement</p> <p>To develop and recommend to the Board the Delivery Plan</p> <p>To monitor and review the Delivery Plan</p> <p>To monitor all Inspection recommendations and include them in the performance reporting</p>	<p>To formulate and decide:</p> <ol style="list-style-type: none"> <li>i) All Personnel Policies,</li> <li>ii) Reward and remuneration policies,</li> <li>iii) Appointment of SMT</li> <li>iv) The SMT structure</li> </ol> <p>To hear and decide appeals</p> <p>To monitor and review Board Management</p> <p>To monitor and review Standards and Ethics</p>	<p>To develop and propose the future investment programme to the Board</p> <p>To monitor the investment programme and recommend action to the Board</p> <p>To develop and recommend to the Board, the Company's Health &amp; Safety Policy</p> <p>To review and monitor the Health &amp; Safety Policy</p> <p>To develop and recommend to the Board auditing and accounting procedures for Newark and Sherwood Homes</p> <p>To develop and recommend to the Board, the annual budget framework</p> <p>To undertake regular monitoring of financial expenditure</p> <p>To consider audit reports and present reports to the Board with appropriate recommendations.</p> <p>To develop and recommend to the Board a risk management procedure and undertake strategic risk assessments</p> <p>To monitor the Risk Management Strategy and identified high-level risks</p> <p>To monitor compliance with the Freedom of Information Act 2000</p>

3.2.5 The Newark and Sherwood Homes' Governance Guide underpins the Constitution of the Company. The Governance Guide supports a number of aspects essential to good governance and details how the Board will monitor its own performance and development. The document will be reviewed and updated to ensure it provides assistance to Board Members.

3.2.6 A clear Meeting Protocol outlines how meetings are managed and when business is confidential. Newark and Sherwood Homes publicises Board Meetings and Minutes and makes Board Agendas available in advance of meetings.

3.2.7 The composition of the Board is a major advantage for progression towards the delivery of the Company's Vision. The three stakeholder groups provide an excellent combination of local knowledge, service experience, business and financial expertise, customer service ethos and commitment.

3.2.8 Building on the Audit Commission's three main roles of a Director of a Board:

- a *stewardship* role – safeguarding the interests of the ALMO's owners (the Council) and the public;
- a *strategic managerial* role – acting as partners of management at the top of the ALMO; and
- a *democratic* role – representing the interests of tenants and residents.

3.2.9 The Directors of the Board have developed five key elements as part of their active leadership, to:

- Set/Direct (S)
- Monitor (M)
- Advice (A)
- Challenge (C)
- Knowledge (K)

3.2.10 To enable Directors of the Board to carry out their role, they have undertaken comprehensive training which has included:

- Delivery Plan and profile of ALMO business
- Constitution – Memorandum and Articles of Association
- Audit Commission Inspection Programme
- Investment Programme
- Best Value
- Strategic Risk Management Planning
- Corporate Governance Guide / Avoidance of Conflict of Interest
- Best Value – Self-Assessment
- Freedom of Information / Data Protection
- Equality and Diversity
- Strategic Planning
- Finance
- Improvement Planning Process
- Decent Homes Standard / Repairs Programme

- Tackling Anti-Social Behaviour/Respect Standard
- Housing Management

3.2.11 As part of strong governance and as agreed in the Newark and Sherwood Homes' 'Governance Guide', individual Directors' own training and development requirements have been identified. The Guide outlines the Annual Appraisal Questionnaire that Directors complete to inform their personal training programme.

3.2.12 The overall outcomes are collated annually and in response training is arranged. This programme of training will be continually updated and reviewed as additional training is arranged, or needs identified.

3.2.13 Training has been, and will continue to be, delivered in a range of mediums to best suit the varying learning styles of Directors of the Board. To develop the wide range of skills needed and build a common understanding to ensure the Board's effectiveness. Topics for training will include:

- Corporate Governance
- Housing Finance
- Housing Law
- Health & Safety
- Freedom of Information/Data Protection
- Strategic Risk Management
- Strategic Thinking and Planning
- Best Value
- Housing Management
- Equal Opportunities and Diversity
- Leadership
- Avoidance of Conflict of Interest
- Team Building & People Skills
- Communication Skills
- Technical Skills
- Inspections
- Openness
- Constitution
- Access and Customer Care
- Value for Money
- Performance Management
- Strategic Management

In formulating this list regard has been given to best practice and Newark and Sherwood Homes' own Governance Guide.

3.2.14 As part of performance monitoring, involvement in decisions is regularly monitored to ensure all Directors of the Board participate fully. The Board performance for attendance at meetings and training for 2005/2006 is detailed below and is impressive. The breakdown of participation on decision-making also below, shows a strong representation from all three constituent parts of the Board:

Target attendance for all Committees	70%
Attendance achieved at Board Meetings	82%
Attendance achieved at Committee Meetings	76%
Overall attendance at all Committees	78%

Average Percentage of Council Nominees Present for Decisions	Average Percentage of Independents Present for Decisions	Average Percentage of Tenants Present for Decisions
82%	66%	74%

3.2.15 The Board will hold its third annual tenant election in October 2007 for the appointment of two tenants to the Board in accordance with its Constitution. The election will be independently managed by the Electoral Reform Services. The year has seen a number of casual vacancies within the Councillor and tenant constituent parts of the Board, all to date having been successfully filled. The process followed is in accordance with the Company's Constitution, the Governance Guide and with reference to customer and community make up.

### Management

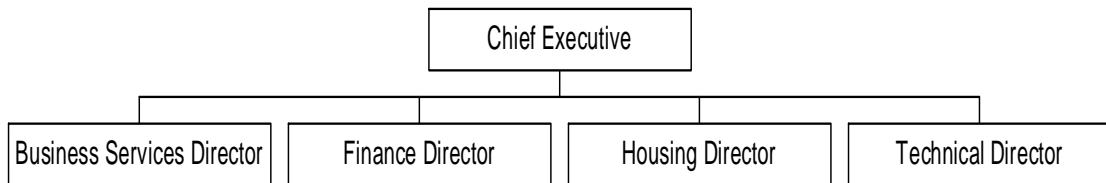
3.2.16 The Company has an establishment of 186 posts distributed as follows:

<b>DISTRIBUTION OF POSTS</b>	
Chief Executive's Office	3
Senior Management Team	4
Finance Directorate	8
Business Services Directorate	7
Housing Directorate	91
Technical Directorate	73
<b>TOTAL</b>	<b>186</b>

3.2.17 A new Senior Management Team structure was introduced in April 2006 and has been successful in :

- Strengthened strategic planning, development and support mechanisms.
- Differentiation of delivery and core business support mechanisms.
- Strengthen core business systems, processes and review systems.

3.2.18 The output of the review was to introduce a Business Services Directorate and amend existing responsibilities resulting in the following structure for the Senior Management Team:



The full outcome of these changes taking effect from April 2006.

3.2.19 The Senior Management Team is experienced and well qualified, with:

- 81 years management experience
- 64 years professional experience

The team hold membership of the following professional bodies:

- Chartered Institute of Housing
- Chartered Institute of Building
- Chartered Institute of Management Accountants
- Chartered Institute of Personnel and Development

The team hold qualifications of:

- 3 x Masters in Business Administration
- 4 x Degrees

3.2.20 The Chief Executive is responsible for the overall leadership of the organisation, under the general direction of the Board. She is responsible for strategic direction, business development / stability, development of policy and for the internal management of the organisation. Other members of the Senior Management Team support her in the delivery of these functions.

3.2.21 Responsibility for servicing the Board and ensuring that members are fully equipped to undertake their responsibilities rest with the Business Services Directorate. All Senior Management Team members play a full role in attending Board meetings and servicing appropriate specialist Committees. The Chief Executive is the Company Secretary and undertakes the related duties.

3.2.22 The Finance Director post has overall responsibility for the financial well-being, management and direction of the organisation. Detailed responsibilities include:

- Financial strategy and business planning
- Funding and development finance
- Risk management
- Treasury management
- Budget preparation and monitoring
- Preparation of accounts
- Financial management information
- Accountancy services
- Audit
- External audit liaison
- Management of debtors and creditors

- Payroll management
- Insurance
- Service Level Agreements
- Procurement
- Value for Money

3.2.23 The Housing Director has responsibility for service delivery to tenants and leaseholders.

This area provides the following services:

- Estate management, including tenancy management
- Lettings and allocations
- Rent accounting, rent arrears management
- Hostels management
- Caretaking services
- Tenant participation and development
- Supported housing
- Special needs housing including medical aids and adaptations
- Community services; including the community alarm system
- Regeneration
- Equality and diversity

3.2.24 The Technical Director has responsibilities including:-

- Maintenance of property database
- Preparation and delivery of repairs, maintenance and improvement programmes
- Formulation of Asset Management Strategy
- Administration and co-ordination of the day-to-day responsive maintenance and voids services
- Tendering management and contract supervision
- Pursuing development opportunities, with Local Authorities and partner organisations
- Scheme appraisal and advice
- Site and scheme acquisition and development.
- Management and formulation of the Investment Programme
- Health and safety
- Business continuity
- Emergency planning

3.2.25 The Business Services Director is responsible for overall direction and leadership of business services. In particular, the Business Services Director is responsible for:

- Governance
- Human Resources
- Training and development
- Investors in People
- Best Value
- Performance monitoring

- Quality
- Continuous improvement
- Strategic planning
- E-Government and working
- IT strategy
- Business planning
- Business development
- Media and public relations
- Communications
- Information management
- Freedom of Information
- Data Protection
- Access and customer care

### Company's Policies

3.2.26 The Company has a comprehensive range of policies, procedures and practices to govern and lead its actions including:

- Equal Opportunities Policies (for service delivery and employment practice)
- Rent Payments and Arrears Recovery Procedure
- Rent Setting mechanism to meet Government Guidelines
- Choice Based Lettings Policy
- Anti-Social Behaviour Policy
- Risk Management Strategy
- Procurement Strategy
- Customer Promise
- Harassment Policy
- Whistle Blowing Policy
- Meetings Procedure

### Strategic Planning

3.2.27 The Company is forward looking with strong strategic planning delivered through its Improvement Planning Process (IPP) to produce robust and realistic targets and ensure the Company works consistently to deliver it's Vision and Objectives.

3.2.28 A range of core documents formulates a strategic framework:

Vision	✓	Budget	✓
Objectives	✓	Performance Framework	✓
Core Values	✓	Constitution	✓
Human Resources Policies	✓	Governance Guide	✓
Risk Management Policy	✓	Business Plan	✓
Improvement Planning Process	✓	Equality & Diversity Policy	✓
Financial Regulations	✓	Delegation Scheme	✓
Meetings Procedure	✓	Health & Safety Policy	✓
Work Plan	✓	Training Plan	✓
Committee Structure	✓	Board Review Procedure	✓

Procurement Strategy	✓	Management Agreement	✓
Code of Procedures for Contracts	✓	Delivery Plan	✓
IS Strategy	✓		

3.2.29 This supports the Company's Annual Business Cycle and effective strategic planning.

3.2.30 The Company has a strong emphasis on continuous learning and development. Consequently it is recognised that both the strategic framework and this plan will change and adapt over time through monitoring and review of the elements within it and through responding to our wider business environment.

### Environment Impacts

3.2.31 The Company has examined its environmental impacts in terms of external context, competitors and partners, internal drivers and stakeholders. This enables the Company to identify its key environmental impacts as:

- ◆ ALMO Industry: The sector is high performing, dynamic and changing with diversification. Pressure continues from the Local Authority retention lobby pressurising the ALMO sector existence. The outcome of the Comprehensive Spending Review in 2007 will be influenced by ALMOs performance record and decide available resources for the delivery of the Decent Homes Programme and other Diversification or Freedoms and Flexibilities.
- ◆ Local Government: Changing pressures of Value for Money, CPA, regional agenda and local and / or national political change.
- ◆ Markets: the relative strength of markets for the provision of growth services and sustainability of existing services, the potential for entering new markets for additional housing provision.
- ◆ Competitors: awareness of the market and their development.
- ◆ Partners: How can these be maximised?
- ◆ Stakeholders: Establishing Newark & Sherwood District Council's (N&SDC) vision for Newark and Sherwood Homes (NSH), establishing and responding to tenant and community expectations and aspirations, maintaining effective and positive relationships with the Council, tenants and the community.

### Vision, Core Values and Objectives

3.2.32 The Company has a clear Vision, Objectives and Core Values, all of which have been reviewed within the Improvement Planning Process.

The Company's Vision is:

"to deliver excellent Housing Services"

The Company's Objectives are:

To achieve a three star inspection rating from the Audit Commission **(A)**

To deliver the Decent Homes Standard in accordance with the annual profile and for all N&SDC stock by the end of March 2010 **(B)**

To achieve top quartile performance in all performance indicators measured by the Audit Commission **(C)**

To be financially viable beyond 2010 and providing Housing Services within the Community **(D)**

The Company's Core Values are:

- 1 Customer First
- 2 Valuing Everyone
- 3 Delivering Excellence
- 4 Making Positive Improvements
- 5 Sharing Information

### **3.3 Resources and Performance**

#### Resources

3.3.1 This section looks at the Company's resources and the management of those resources to deliver to, and above, the performance standards required, in terms of both financial performance, Value for Money and service delivery performance, as measured through a range of Key Performance Indicators (KPIs).

#### *Income- HRA*

3.3.2 The Council's Housing Revenue Account (HRA) traditionally held all the housing costs and income associated with the Housing Service. With the separation out of the Company, the day-to-day operational costs have transferred into the accounts of the Company. Nonetheless, the HRA of the Council remains the key determinant of the revenue for the Company. This is because the management fee is determined on the basis of projected and agreed profiles for the HRA income and expenditure.

A summarised HRA for 2006/7 is indicated below.

<b>HRA 2006/7 Projection</b>	<b>2006/7</b>
Income	
Rent	13,767
Other Income	1,270
Total Income	15,037
Capital Costs	5,093
Subsidy payable	2,333
Management fee	6,938
Other Costs	673
Total Costs	15,037
Surplus	0

### *Income – Management Fee*

- 3.3.3 The management fee is primarily based on information supplied by Newark & Sherwood District Council and determined following an assessment of the Housing Revenue Account, the projected earnings and the required costs. The residual balance is then available as a management fee.
- 3.3.4 In 2006/7, the management fee is 50% of the total rental income, rental income being the single main source of income to the HRA. However, two further significant costs are the costs of capital, (interest charges and depreciation) and also the housing subsidy payable to the Central Government. Capital costs are the result of previous capital investment decisions and, once spent, are a committed cost in future years. There is limited opportunity to reduce these significantly in the short term. The subsidy calculation is Government determinant. It can change significantly year on year on a basis that is externally dictated.
- 3.3.5 The Company has the capacity to maximise the rental income, by use of the most effective collection methods, as this will improve the maximisation the management fee. It also seeks to make most effective use of its own resources.

The profile of the Company income for 2006/7 is estimated as follows:-

<b>Income Type</b>	<b>%</b>	<b>£000's</b>
Management Fee	<b>87%</b>	<b>6,938</b>
Capital Works Fee	<b>10%</b>	<b>812</b>
Miscellaneous	<b>3%</b>	<b>207</b>
Total	<b>100%</b>	<b>7,957</b>

### *Income - Capital Programme Fee*

- 3.3.6 The management of the Capital Programme is based on a fee recovery percentage commensurate with the relative complexity of the task.

Year	Investment Programme £k	Decent Homes £k	Fee Generation £k
2005/6	4,132	6,500	603
2006/7	5,156	9,000	810
2007/8	3,347	11,310	786
2008/9	2,570	11,310	729
2009/10	2,545	11,310	727
Total	17,750	49,430	3,655

- 3.3.7 In 2005, in response to identified risks, the Company secured professional external contractors to ensure that the highest levels of craftsmanship and customer care would be applied to the work, and that the resources would be available to deliver to the agreed timescales.
- 3.3.8 Work commenced in delivery of Decent Homes in October 2005 and this programme of delivery has been developed with both contractors to ensure maximum efficiency in the delivery of the programme and to enable the available labour resources to be effectively planned to ensure delivery of the required works.

#### *Other income*

- 3.3.9 Additional income includes recovering of costs in relation to management of the property sales for the Council, a proportion of the costs of the local offices, community charges, interest and income for costs attributed to managing hostels for the homeless. Income is also generated through rechargeable costs of repairs and renewal, either as a result of damage by tenants or as proportions of communal costs shared by leaseholders. It is the aim of the Company to continually identify future growth opportunities over time, although the Management Agreement and Constitution currently places restrictions on what the Company is permitted to do, alongside existing opportunities.

#### *Expenditure*

- 3.3.10 The Company has built up its expenditure by cost centre level, using the broad expense categories of pay, premises, supplies and transport. It has also considered the expected changes in the different operational areas and the likelihood of efficiency improvements.
- 3.3.11 All areas are anticipated to achieve efficiency improvements, of 2.5% to 3% per annum in years 2007/2008 to 2009/2010. However this will not all be a reduction in expenditure, as much will be reinvested in new and improved services.
- 3.3.12 The Company currently buys a range of support services from Newark & Sherwood District Council. For 2006/07 these are:

<u>£K</u>	
167	IS
108	Insurance
60	Kelham Hall
87	Finance/Audit
56	Cashiers
35	Telephones
32	Legal
48	Other Management Services
125	Ground Maintenance
<u>200</u>	Vehicles
<u>918</u>	TOTAL

3.3.13 The services are subject to performance monitoring meetings, between the Council providers and the representatives of the Company. Service Level Agreements (SLAs) represent a major area for potential efficiency gain. Annual reviews identify areas for improvement and allow the Company to review the cost effectiveness and value for money to continue with that particular SLA.

### Internal Audit

3.3.14 The Internal Audit Service is currently procured through the Council. The audit plan is prepared annually on a three year rolling basis, based on the judgement of the Finance Director. Consideration is given to the Company's Corporate Risks, the financial operations and systems of the Company, outcomes of recent audits and emergent areas of business on which audit is appropriate. The outline plan and the basis of the audit plan proposal is considered by the Board. Where systems are the same as Newark & Sherwood District Council systems, audit programmes reflect work already undertaken avoiding duplicated effort.

### External Audit

3.3.15 This service is provided by KPMG, following a tendering process in late 2004. The current contract is for three years and covers the period to include auditing the 2006/7 accounts. The auditors also provide services in relation to taxation and support in the completion of annual tax returns. The Company awaits the outcome of its application for non-trading status, submitted to the tax authorities in February 2006, which when received is expected to confirm that almost all income will be exempt from taxation.

### **3.3.16 Financial Projections to 2010**

	Actual 2005/6 £k	Forecast 2006/7 £k	2007/8 £k	2008/9 £k	2009/10 £k
Management Fee	6,638	6,937	7,319	7,253	7,510
Investment Programme Management	603	812	786	729	727

	Actual 2005/6 £k	Forecast 2006/7 £k	2007/8 £k	2008/9 £k	2009/10 £k
Miscellaneous Income	141	208	226	240	254
Total Income	7,382	7,957	8,329	8,222	8,491
Staff Costs	3,575	3,899	4,104	4,026	4,158
Premises Expenses	525	610	593	589	608
Transport	332	345	329	327	337
Supplies and Services	2,413	2,588	2,829	2,810	2,901
Council SLA services	374	515	474	471	486
Total Costs	7,219	7,957	8,329	8,222	8,491
Surplus/(Deficit)	163	0	0	0	0

3.3.17 The five-year projections have been built up on best knowledge of the projected management fee that is currently available.

3.3.18 The Company is aware that the tri-annual comprehensive spending review in 2007 may impact upon future income levels. Consideration has been given to the likely impact of Housing Subsidy support for 2008/9 and 2009/10, in relation to previously constrained rent increases.

3.3.19 The impact of Right-to-Buy levels and increased Capital Management costs have been taken into consideration. Subsidy costs as detailed earlier are difficult to assess.

3.3.20 An example of the projected impact of the Right-to-Buy on income is illustrated below:

	2005/6	2006/7	2007/8	2008/9	2009/10
Opening Stock	5,507	5,480	5,464	5,448	5,432
Sales	27	16	16	16	16
Closing Stock	5,480	5,464	5,448	5,432	5,416
% decline in rental properties	0.49%	0.29%	0.29%	0.29%	0.29%

3.3.21 Right to Buy activity has diminished significantly over recent years predominantly because prices have been beyond the affordability of many tenants. The profile of historic sales is as follows:-

2003/2004	2004/2005	2005/2006	2006/2007
112	49	27	16

3.3.22 It is difficult for a variety of reasons to project the management fee beyond 2007/8. The results of the comprehensive spending review in 2007/8 may have significant impact. Also, the move towards standardisation of social housing rents, and information from Government has led to some uncertainty over the levels of compensation increase that have been below guidelines. Reasonable assumptions have been taken to facilitate business planning, as it is important to plan for the long term and not for 2007/08 in isolation.

### Risk Management

3.3.23 This section describes how the organisation has assessed the risks and designed a risk management strategy to mitigate against them.

3.3.24 The Company has a Risk Management Strategy details the requirement to review Corporate risks every six months. The identification of risk and the maintenance of a risk register allows controls and mitigation measures to be put in place where possible. The risk register which classifies the risks, defines the consequences of them, identifies the probability of them occurring and gives an assessment of their impact. Significant risks have been identified include and fall into a number of areas; Staff Issues, Income Issues, Governance Issues, Public Relation/Media issues. The top two risks areas which have been identified are:- Staff issues and Income issues.

### *Staff Issues*

3.3.25 Newark and Sherwood Homes has identified as one of its key corporate risks the failure to retain and recruit staff. The Company recognises that in order to attract the best we need to ensure that we are competitive in the market, we offer flexible working in order to show our commitment to work-life balance and we continually look to improve our policies and procedures so that we are flexible enough to respond to changing circumstances.

3.3.26 We are drivers of innovation and change and this can be demonstrated with the introduction of the following:

#### Work Experience Policy

3.3.27 This policy ensures that the Company gives maximum opportunities for individuals to gain new skills and experiences. The policy is for individuals of all ages and each experience is tailored to meet individuals needs and to ensure that equal access is given to everyone.

#### Apprenticeship Scheme Policy

3.3.28 The Apprenticeship Scheme Policy shows the Company commitment to the wider community by offering a variety of recruitment opportunities to meet the

needs of the business. Following a successful recruitment campaign 2 apprenticeships have been offered for 2006/07.

#### Market Supplement Policy

3.3.29 This policy ensures that the Company is flexible enough to respond to market factors, which could have a negative impact on the Company.

#### Staff Satisfaction Survey

3.3.30 The annual Staff Satisfaction Survey enables staff to respond anonymously which gives the Company a good indication of how people are feeling and also gives them an opportunity to suggest ways we can make things better. We listened to what they had to say and responded in our staff magazine 'Home Comforts' with a 'we will' answer.

3.3.31 Other developments, include the introduction of the Staff Recognition Scheme, Job Share Policy, increased staff involvement through charitable events, and children's competitions is helping to improve staff morale and employee retention.

3.3.32 Newark and Sherwood Homes understands that its biggest asset is its staff and that from time to time they may need time off due to sickness absence. We value our staff and through pro-active absence management, which includes back-to-work interviews, phased returns, light duties, we are able to demonstrate our commitment to their well-being. The introduction of the following policies also demonstrates our commitment.

#### Domestic Abuse Policy

3.3.33 The welfare of staff is paramount to the Company and by introducing this policy we acknowledge to staff that the issue exists and that we will support individuals experiencing such abuse.

#### Substance Misuse Policy

3.3.34 This policy again enforces the Company's commitment to the health and welfare of its staff. It also supports managers and gives clear guidance on the Company's stance when having to deal with these very sensitive issues.

3.3.35 The Company is on a journey of continual change, which will inevitably mean that the way in which people perform could change. This cultural shift will be more difficult for some than others and the Company needs to ensure individuals are suitably equipped to handle these changes.

3.3.36 Newark and Sherwood Homes has a high number of older workers who have a wealth of knowledge and skills, which are essential for the smooth running of the Company. In order to safeguard the Company from losing this knowledge and skill, appropriate policies and procedures need to be in place. It is also important for the Company to continue to train its' staff and support their own personal development.

## *Income Issues*

3.3.37 Falling Revenue Stream – There are a number of issues influencing the company revenue stream and the ability to manage the consequence of these risks is variable.

- ◆ HRA income - which has been discussed earlier and the Company has little influence. The management fee is currently 87% of the annual income of the Company. It is subject to gradual and steady reduction in real terms, over time. This is because of external variables such as the Government determined subsidy cost to the HRA. There is pressure nationally for the problems caused by the subsidy system to be addressed. The lack of predictability of subsidy, and its relative volatility, causes problems in an otherwise reasonably predictable short-term market. The DCLG Paper: “Review of ALMOs” outlines the parameters and options for the future. Pilots are underway to consider self-financing HRAs. It is clear that the current status quo is unlikely to be permanently sustainable and the Company needs to pro-actively consider the impacts of the options in the DCLG Review.
- ◆ Right to Buy sales - which although falling at present continue to reduce income. Current estimates are for sale of 16 properties per annum compared to 112 three years ago.
- ◆ Debt recovery – the Company performance on debt recovery has fallen in 2006 and although this is a relatively modest figure this has an impact on delivery of Objective 3. Performance remains upper quartile although the Company has seen a slight reduction in recovery levels. However, there is a direct impact on income through the charging of a debt provision/write off charge.
- ◆ The Company debt in relation to rechargeable repairs is under review to see if recovery levels can be improved. This is a low value revenue stream, and is recognised for the complications associated with its recovery.
- ◆ Void time – The Company’s Tenancy Management Team seek to minimise void time in between lettings, to maximise income by the HRA and ultimately the Company. The required change to a Choice Based Letting System has required additional tasks as part of the letting process. Performance has remained strong with income loss through long void times being minimised.
- ◆ Restricted Market – The Company is working to develop its income streams both in the long term and the short term. However, the Management Agreement places restrictions on our ability to extend into new markets without their approval. Through the Council’s successful launch of the Handyman Scheme in 2006/7, the Company has been successful in providing a new service that runs compatibly alongside other services.
- ◆ Efficiency gain – The Company seeks efficiency gains through better management of resources and improvement in procurement processes,

with streamlined approaches and more effective procurement. Substantial savings have been made on insurance for 2 successive years. Better value has also been achieved by lintel strengthening processes rather than replacement. This has reduced costs by 30% and released £60k of capital funding for other purposes.

3.3.38 The Company recognises that reduced income will cause unit costs to increase creating ongoing pressure to produce efficiency gains and raise new income. Inaction by the Company would result in poor performance and a potential lack of viability to trade.

3.3.39 As the Company anticipates a decline in the management fee, in real terms, over time, it manages its business not just by seeking alternative sources of business, but also by managing costs more effectively and maximising value for money. The Company has undergone a process to review its mechanisms to deliver efficiency and refocused on the delivery of value for money with assistance of external challenge.

### *Governance Issues*

3.3.40 The Company has identified a number of risks concerning the Board, specifically recognising the need for appropriate skills to both inform and make challenging strategic decisions.

### *Public Relations/Media*

3.3.41 The importance of the perception of tenants and customer satisfaction has been fully recognised through the Risk Management Process and a number of risks outlining the importance of effective and positive projection of the Company and its performance have been identified as critical to the delivery of the Company's Vision and Core Values.

### *Performance*

3.3.42 Our performance in the progression of the delivery of each of our Objectives is detailed in this section in addition to our performance against our previous Business Plan.

### *Objective 1- Achievement of a 3 ★ Inspection*

3.3.43 Newark and Sherwood Homes has had a strong performance record for providing a quality housing service and this is reflected in achieving accreditation of Charter Mark in January 2005, with the standard re-assessed into 2006; also an inspection judgement of a good, two star, service with promising prospects for improvement following inspection in May 2005.

3.3.44 The Audit Commission's recommendations, detailed in Appendix A have been incorporated within last year's corporate tasks in our Business Plan, demonstrating our commitment to continuous improvement in service delivery. As part of our Improvement Planning Process to formulate this Plan, a full review of the Audit Commission's recommendations has been undertaken.

- 3.3.45 The Company has a clear Performance Framework and performance in service delivery is continually subjected to ongoing appraisal through satisfaction questionnaires, customer comments and tenants monitoring groups to shape future service provision.
- 3.3.46 Tenants and Leaseholders are regularly informed of performance through the newsletter, which is also available on our website. The tenant monitoring groups regularly review performance and service standards.
- 3.3.47 Benchmarking is an integral element of the Company's performance management and monitoring framework. The Company is an active member of HouseMark's Midlands Performance Improvement Club and the National ALMO Performance Club. The benchmarking results from both clubs are monitored by the Board and Senior Management Team. In addition to this, the Company founded the North Nottinghamshire and Derbyshire Property Maintenance Benchmarking Group to facilitate sharing of performance data, good practice and innovation across the ALMO, Local Authority and Housing Association sectors.
- 3.3.48 Performance management is an area in which Newark and Sherwood Homes is very proud of its achievements which can be demonstrated at operational, management and corporate levels. It is through the monitoring of performance indicators and benchmarking that service improvements and targets are set as part of our Improvement Planning Process and incorporated into this Plan.
- 3.3.49 Newark and Sherwood Homes is committed to equality and fairness in the delivery in all of its services. Monitoring of equality and diversity data has been enhanced in the past year and all tenants have been provided with the opportunity to provide information on ethnicity, disability and vulnerability as part of a comprehensive exercise conducted to record this information on the Company's IT systems.
- 3.3.50 In addition to the performance management and monitoring frameworks currently utilised, the Company adheres to 'good practice', Business Plan guidance and Best Value principles in service review as well as assessing and monitoring performance and targets at national, local and family group levels. The following groups have been used in the comparison of the Service over a period of three years (where available):
- a) District Council Upper Quartile
  - b) Nottinghamshire's District Councils Upper Quartile
  - c) Family Districts' Upper Quartile
  - d) HouseMark Midlands Performance Improvement Club
  - e) ALMO Benchmarking
  - f) APSE National Performance Network
- 3.3.51 Tenants' satisfaction surveys are key performance indicators, along with the outcomes of our consultation and communication, which provide the basis for incorporating tenants' views and aspirations as an integral part of performance management and the Improvement Planning Process.
- 3.3.52 Newark and Sherwood Homes is aware that it is essential to continually monitor plans to ensure they continue to be appropriate and that performance

in the delivery of key tasks is a part of demonstrating its capacity to improve. Performance on the delivery of key tasks within last year's Business Plan is detailed at Appendix B.

3.3.53 Particular performance achievements in the progress towards this objective are worthy of further detail:

#### *Responsive Repairs*

3.3.54 The responsive repair service utilises a bespoke monitoring mechanism that enables comparative data to be analysed and deploy the most appropriate and cost effective resource to complete a repair task. The system "Relative Efficiency Model" uses data for cost, quality and response time to identify the resource providing the best value for money. Where that resource is fully engaged it enables the next to be easily identified and deployed. The Relative Efficiency Model is used to benchmark the Company's own in-house service (trade resource) against contractors.

3.3.55 It is recognised that whilst the Relative Efficiency Model is a useful tool for appropriate allocation of resource, the comparisons made by the model does not test current market conditions.

#### *Tenant Involvement and Participation*

3.3.56 The Company has reorganised its staff to ensure that tenant involvement is integrated into frontline service delivery. The Company introduced patch based Housing Officers who have responsibilities for Tenancy and Estates Management incorporating Tenant Participation and involvement as a core function of service delivery. This new approach to participation has met with the approval of Federation of Tenants and Residents Associations and the individual Tenant and Residents Associations who have expressed a view. There is also senior management involvement with the Chief Executive and the Housing Director formally meeting with the Federation on a regular basis. This year's Tenant Conference in October 2006 was widely regarded as an outstanding success founded on close joint working between the Company and tenants through our Conference Planning Group which worked for almost 6 months in organising the detail of the Tenant Conference.

#### *Tackling Anti-Social Behaviour and the Respect Agenda*

3.3.57 The launch of the RESPECT standard for Housing Management formed part of the drive of the Government to ensure that local agencies tackle unacceptable behaviour and its causes to improve quality of life for residents, particularly those in the most disadvantaged communities. The Company signed up to the RESPECT Standard for Housing Management at its Annual Tenant Conference in October. The signing by the Chair of Newark and Sherwood Homes and the Chair of the Federation of Tenants and Residents Association signified a commitment by the Company to deliver on the 6 commitments that make up the RESPECT Standard for Housing Management.

### *Income Maximisation*

- 3.3.58 Following a comprehensive review of rent payment options by the Company the additional option of direct debit was introduced. The option to pay via the Allpay network was also agreed and is in the process of implementation.

### *Sustainable Communities*

- 3.3.59 Commitments have been made to the sustainability of housing stock, to reduce the number of difficult to let properties and maximise income. To date this has been very effective and Newark and Sherwood Homes continue to consider sustainability integrally within the investment programme. A commitment has been made to extensive environmental improvements to address specific problems experienced through anti-social behaviour on a Radburn Design estate. The works on this estate are due for completion by March 2007 and have provided significant benefits for tenants including: the provision of defensible space, improved off-street parking, and redefine access through the estate. The project has been undertaken over three phases and has seen a demonstrable improvement on the demand for property in this area. Similar problems starting to be experienced in other areas, has highlighted the need to consider similar approaches. Additional, financial resource will be made available from the Major Repairs Allowance (MRA) where possible to support the environmental work from the ALMO funding, which is specifically available for environmental sustainability work.
- 3.3.60 Newark and Sherwood Homes recognises that it is in a unique position within the district and is ideally placed through the strategic partnership, to be able to offer leaseholders and owner-occupiers, of former Council property, access to the preferential rates for improvement work. This would provide opportunity for improving the condition of housing stock in and around the district. This service has been offered through our strategic partners and has been successful in re-roofing adjacent owner-occupied properties.

### *Value for Money*

- 3.3.61 The Company has a mechanism for identifying service areas where there is greatest opportunity to make efficiency gains, and to prioritise them within Business and Work Plans.
- 3.3.62 Professional services have been market tested through the OJEU procurement process. The results of this process has provided rates ranging from 15% to 45% for design, tendering and administration of the Investment Programme, which are significantly above the rate being currently charged by the Company. The market testing of professional services also considered the quality of services, and whilst a preferred partner has been appointed, the rates do not offer value for money for the Company on all but the larger scale projects.
- 3.3.63 As part of the wider market testing exercise the Company is seeking to identify the market interest for provision of the Responsive Repairs Service. The intelligence obtained from this testing of interest will be used to ensure that the market test for the response repairs is let at the most appropriate level for the local market. Additionally, work has commenced on identifying interest from other local housing providers to maximise opportunity for economies of scale to

the Company and provide an improved comparison of local cost through external competition.

- 3.3.64 The Company is market testing the Grounds Maintenance Service provided through a Service Level Agreement with the District Council. Tenants have been actively engaged in discussions through meetings and a working group to debate and develop the standard to which communal grounds are maintained. This has drawn tenants from a number of areas that have a keen interest in communal gardening.

### *Total Quality Management*

- 3.3.65 The Company has been actively progressing the implementation of a total quality management system during 2006/2007 through ISO:9001:2000 as part of the commitment to improving the quality and standard of services provided with a key focus on customer satisfaction. Achievement of this nationally recognised standard focuses on our operating processes to improve efficiency, effectiveness, standardisation and compliance with best practice. The Company is scheduled to seek accreditation in June/July 2007.

### *Investors in People*

- 3.3.66 Newark and Sherwood Homes is working towards achieving the nationally recognised, Investors in People standard which sets out a level of good practice for training and development of people to achieve business goals. Achievement of the standard will contribute towards the delivery of the core value "*to value the contribution of everyone*". The standard links business, team and individual goals with a focus on good quality training for staff. A culture of continuous improvement is created with improved job satisfaction, morale and communication which leads to increase in customer satisfaction with the quality of services provided. The Company is scheduled to seek accreditation in March/April 2007 following support from independent advisers, Business Link.

### *Objective 2- Delivery of the Decent Homes Standard*

- 3.3.67 The stock condition database has provided the detail upon which the Decent Homes Standard (DHS) requirements are based. Projections for Right-to-Buy sales have been factored into the DHS requirements; Newark and Sherwood Homes will undertake management and investment of the Council's stock as detailed in the following table.

<b>Housing stock by Archetype illustrating projected sales</b>						
<b>Archetype</b>	<b>Projected opening stock at 1<sup>st</sup> April 2005</b>	<b>Projected closing stock at each year</b>				
		<b>2005/6</b>	<b>2006/7</b>	<b>2007/8</b>	<b>2008/9</b>	<b>2009/10</b>
Pre 1965 Houses and cottages	1,992	1,990	1,987	1,981	1,975	1,957
Post 1965 Houses and cottages	2,023	2,045	2,064	2,059	2,054	2,047
Non-traditional (Cornish 1)	49	24	0	0	0	0
Direct access flats	1,061	1,050	1,034	1,016	1,004	977
Walk-up flats – Lobby access	248	244	240	235	227	222
Walk-up maisonettes	134	130	129	129	128	128
<b>Total</b>	<b>5,480</b>	<b>5,464</b>	<b>5,448</b>	<b>5,432</b>	<b>5,416</b>	<b>5,400</b>

3.3.68 A breakdown of the housing stock by archetype is provided in the table below, the table also illustrates the percentage of each archetype failing and the projected year-on-year improvement to be delivered by Newark and Sherwood Homes, with full Decent Homes Standard compliance being achieved at the end of the 2009/10 financial year. From the housing stock shown at Table One, the following levels of decency are projected across the housing stock and illustrate progressive delivery of Decent Homes.

<b>Decent Home failures and stock improvement</b>						
<b>Archetype</b>	<b>Number failing DHS @ 1<sup>st</sup> April 2005 or projected to fail before 2010</b>	<b>Percentage of properties meeting the Decent Homes Standard at the close of each year</b>				
		<b>2005/6</b>	<b>2006/7</b>	<b>2007/8</b>	<b>2008/9</b>	<b>2009/10</b>
Pre 1965 Houses and cottages	1,899	39%	48%	65%	82%	100%
Post 1965 Houses and cottages	1,383	49%	57%	69%	80%	100%
Non-Traditional (Cornish 1)	49	0%	0%	100%	100%	100%
Direct access flats	662	43%	56%	75%	87%	100%
Walk-up flats – Lobby access	198	69%	85%	83%	96%	100%
Walk-up maisonettes	127	15%	40%	56%	97%	100%
<b>Total</b>	<b>4,318</b>					

3.3.69 The table below illustrates the proposed programme of work to be commissioned by Newark and Sherwood Homes to deliver and maintain the Decent Homes Standard.

Attribute	Profile of expenditure					
	Total	2005/6	2006/7	2007/8	2008/9	2009/10
Rewiring	£3,516,748	£935,247	£751,620	£527,944	£613,620	£688,317
Roof Structure	£65,450	0	0	£20,500	£27,450	£17,500
Roof Covering	£2,268,273	£1,729,815	£538,458	0	0	0
Chimneys	£73,500	0	£73,500	0	0	0
Windows	£9,135,540	£1,567,780	£1,968,000	£2,000,000	£2,000,000	£1,599,760
Doors	£3,074,866	£522,593	£968,000	£844,268	£262,071	£477,934
Structural Works	£4,495,165	0	£772,916	£1,374,209	£712,916	£1,635,124
Central Heating	£4,291,005	£365,920	£174,225	£765,025	£1,879,425	£1,106,410
Kitchens	£15,331,609	£1,120,000	£2,000,000	£4,114,322	£4,034,987	£4,062,300
Bathrooms	£4,290,496	£376,760	£1,250,899	£888,000	£888,000	£886,837
Environmental works	£2,354,000	0	£396,000	£536,000	£775,000	£647,000
Other	£534,000	0	£133,500	£133,500	£133,500	£133,500
<b>Total</b>	<b>£49,430,652</b>	<b>£6,616,115</b>	<b>£9,027,118</b>	<b>£11,203,768</b>	<b>£11,326,969</b>	<b>£11,254,628</b>

3.3.70 Table 3 above sets out the spending plans for the delivery of the Decent Homes Programme by 2010. The table is produced from the stock condition data and takes into consideration the stock reductions through Right-to-Buys as detailed in Table 1. Newark and Sherwood Homes have procured the work through a joint contractor partnership, to maximise efficiencies in the delivery of the programme within the current funding stream indications.

3.3.71 Newark and Sherwood Homes are now entering the second year of Decent Homes delivery and progressing according to target with 57% of the stock meeting the Decent Homes target. Whilst, there are additional properties becoming non-decent over the next three years, the decent home delivery profile has taken this into account and the Company is on target to deliver this, subject to continued funding support.

3.3.72 Summary details of major parts of the spending programme are provided below.

*Rewiring* – electrical circuits and components are identified as a key building component within the Decent Homes Standard. The stock condition survey has identified 1,758 properties requiring rewiring or major works before 2010.

*Roof structure and covering* – previous major building programmes undertaken during the 1950s has resulted in many of the roof coverings approaching the end of their useful life. This is reflected in the investment required for roof structure and coverings. The commencement of Decent Homes in September 2005 saw a significant investment in defective roofing within the first six months. This investment has delivered a noticeable impacted on responsive repairs with a large reduction in the number of roofing defects being reported by tenants.

*Windows and doors* – are one of the highest areas for investment, identified within the stock condition survey. Tenant expectation has been led by rising social standards and the demand for double-glazing. The Authority adopted a

PVCu window specification over 15 years ago and many of the windows are single-glazed. The limited technical performance of these early windows is presenting problems in sprained hinges and locking handles, and missing un-replaceable elements. Additionally stock has a number of aluminium-sectioned windows that have deteriorated quicker than the usual life expectancy leading to premature replacement. The external timber door specification with plywood panels, is experiencing premature failures. A revised door specification has been researched with tenant representatives, who have identified a robust door set, with good security, thermal resistance and robust construction inherent in the design. Replacement of windows and doors has commenced through the Decent Home Programme and tenants are noticing considerable changes to the thermal comfort of their homes.

*Structural works* – Much of the structural works consists of re-pointing to external walls.

*Central heating* – Central heating is now installed to all properties with the exception of a small number where tenants have refused the improvement. The rural nature of the district has necessitated the installation of oil-fired boiler in some remote villages that are not gassified. The District Council has been very active in previous years in reducing fuel poverty for tenants, this level of early activity is now seeing the demand for the replacement of ageing inefficient central heating systems, which is essential to maintain the Decent Homes Standard and manage fuel poverty levels as energy prices rise. Given that some rural areas are not served by gas supplies there is scope to trial some renewable local micro energy generation.

*Kitchens and bathrooms* – have been identified as a major cause of failure within the Decent Homes Standard, many of the properties fail because of age and inadequate space and layout, the remainder fail because there is an insufficient food preparation area within the kitchen.

*External works and outbuildings* – includes works to footpaths and retaining walls and boundaries where there is a duty of care to residents and members of the general public.

*Other* – this element of the work programme consists of ancillary items that would require replacing at the time of any major work programmes to maintain the fabric of the building and prevent it from accelerated deterioration.

3.3.73 The stock includes 49 Cornish One type units located on two sites, one in Clipstone and one in Bilsthorpe. These units have been deemed to fail the Decent Homes Standard because of the lack of insulation, age and condition of the kitchen and bathroom, and the inherent structural defects with this type of construction. Works to remedy these defects have commenced on the first 25 units at Clipstone. This was seen as an important development to improve the quality of housing in a mixed community that was demonstrating preliminary signs of decline. The remaining 24 units at Bilsthorpe will be rebuilt in the second phase of this improvement programme.

3.3.74 In the delivery of the Decent Homes programme and other investment projects, there is a considerable amount of information being generated on individual properties. Much of this is being produced as a result of property surveys to

individual dwellings as each is assessed for Decent Homes compliance. This information is held on bespoke survey software produced by the contracting partners, and Newark and Sherwood Homes are appraising the options for purchase of an integrated asset management system.

3.3.75 The Council has calculated that within the investment period from 1 April 2006 to 31 March 2011, £16,265,000 will be available through MRA funding which may be used to address investment requirements within the housing stock. Tenants have been consulted on their preferences for investment and how these fit in with the requirements of the Decent Homes Standard and Decent Homes Plus.

3.3.76 The table below illustrates how the available funding is to be spent over the next five years.

	2006/7	2007/8	2008/9	2009/10	2010/11	Total 2006-2011
Environmental Improvements	£2,645,809	£1,300,000	-	-	£925,000	£4,870,809
General Improvement Works	£1,030,181	£630,000	£430,000	£430,000	£350,000	£2,870,181
Decent Homes (HRA)	£1,482,484	£1,417,339	£2,139,561	£2,114,561	£1,370,000	£8,523,945
<b>Total</b>	<b>£5,158,474</b>	<b>£3,347,339</b>	<b>£2,569,561</b>	<b>£2,544,561</b>	<b>£2,653,000</b>	<b>£16,264,935</b>

3.3.77 Delivering the Decent Homes Programme requires substantial cross-functional operations within the Company delivering for example the decant requirements of the Greendale Crescent project. This involved close working between the Technical and Housing Directorate and the partnership contractor to deliver the best possible outcome for tenants whilst their houses were being upgraded.

**Objective 3 - To achieve top quartile performance in all performance indicators measured by the Audit Commission**

3.3.78 Having a clear Company Objective sets a focus when developing targets for future years. The Company's Improvement Planning Process incorporates a wide range of management information in addition to consultation and value for money mechanisms (Efficiency Delivery Vehicle). This approach ensures that the Company uses all information including current performance to establish appropriate targets.

3.3.79 The table below shows the Key Performance Indicators that are monitored by the Company. The Company's performance management framework is designed to continually improve its service in all areas. The table below shows the performance of the organisation in terms of targets and outturns as at November 2006.

3.3.80 The targets within each of the Performance Indicators are based on best practice within the sector and have been approved by the Board. The targets all represent top quartile performance within the sector.

3.3.81 All staff are aware of the targets and the service areas are aware of their own performance relative to them. The performance is discussed at the regular team meetings within the Company.

Performance Indicator	Description	2006-07 Target	Performance as at December 2006	Audit Commission upper quartile performance 2005-06
BVPI 63	Average SAP rating of local authority owned dwellings	73	72	69
BVPI 66a	% of rent collected	99.3%	99.59%	98.84%
BVPI 66b	The number of LA tenants with more than seven weeks of gross rent arrears as a percentage of the total number of council tenants	2.25%	3.12%	3.39%
BVPI 66c	Percentage of LA tenants in arrears who have had NOSP's served	12%	10.58%	13.55%
BVPI 66d	Percentage of LA tenants evicted as a result of rent arrears	0.29%	0.09%	0%
BVPI 74	Tenant satisfaction with overall service	90%	84%	85%
	i) BME tenants	90%	84%	85.75%
	ii) non BME tenants	90%	86%	85%
BVPI 75	Tenant satisfaction with opportunities for participation and decision making overall	75%	73%	70%
	i) BME tenants	75%	73%	75%
	ii) non BME tenants	75%	73%	70%
BVPI 164	Compliance with CRE code of practice in housing	Yes	Yes	Yes
BVPI 184	a) The proportion of local authority homes which were non decent as at 1 April 2006	46%	44%	12%
	b) The change in proportion of non decent local authority homes between 1 April 2006 and 1 April 2007	18%	4%	29.2%
BVPI 212	Average time (days) to re-let Council properties	17.5	14.1	27

3.3.82 As performance is continually monitored we are clear on how we are performing, and are able to react swiftly to take action to improve performance

### *Responsive Repairs*

3.3.83 2005/6 has seen significant improvements in responsive repair performance. The following table provides the responsive repair performance for the year, in comparison to previous years.

Indicator	2004/2005 Actual Outturn	2005/2006 Actual Outturn
Percentage of urgent repairs completed within Government time limits	99.1%	99.7
Percentage of Priority 1 Repairs completed on time	96.2%	97.5
Percentage of Priority 2 Repairs completed on time	84.7%	90.3
Percentage of Priority 3 Repairs	72.9%	93.2

Indicator	2004/2005 Actual Outturn	2005/2006 Actual Outturn
completed on time		
Overall percentage of repairs completed on time	85%	92.8
Average time taken to complete non-urgent repairs	22.5 Days	18.4 Days

- 3.3.84 The Responsive Repair Service has secured an electronic Work Scheduling System (XMBRACE), which will enable significant improvements to be made in the provision of appointments for tenants at the point of first contact. In addition to providing appointments for tenants, the system is a very capable work-planning tool capable of planning the most efficient schedule for completion of repairs during the working day. Following the introduction of the work scheduling software further service improvements and efficiency gains have been identified through the introduction of mobile working. Wireless communication to staff delivering in the field, combined with the electronic appointments system is capable of making better use of current resources and therefore increasing productivity and delivering a more efficient service.
- 3.3.85 The introduction of a free phone number including out-of-hours service is available to all tenants and leaseholders, has been extended during 2006 to include the ability for tenants to now report non-urgent repairs outside standard office hours.
- 3.3.86 Performance on meeting appointments is below upper quartile performance, which it is recognised affects performance indicators in terms of repairs completed on time and the level of customer satisfaction. Flexibility of the service to manage and provide high customer care to respond to tenant feedback is an area for future focus.
- 3.3.87 The Responsive Repairs Service has a significant number of urgent and emergency jobs when compared to non-urgent and planned work. The Audit Commission and Housemark suggests that this may be indicative of potential efficiencies to be gained in the systems to be used for categorisation of repairs. This is now an area for focus.

### *Respect and Pro-Social Behaviour (PSB)*

- 3.3.88 Having established a sign up to the RESPECT standard for Housing Management during 2006/07 the Company sees establishing Pro-Social Behaviour as key to the success to the delivery of the RESPECT agenda for Newark and Sherwood. This therefore becomes a focus for action during 2007/08.

### *Time to Re-Let Properties*

- 3.3.89 The Company's excellent performance in re-letting properties has been maintained through the productivity of its Void Repairs Teams and through the efficient operation of the Choice Based Letting Scheme.
- 3.3.90 Housing applications have increased at the rate of approximately 250 new applications per month, this has resulted in approximately 6,500 applications on

the Housing Register at the end 2006. The Housing Choice Team have continued to deliver within target re-let times and continue to operate at the top of the upper quartile performance compared with the Midlands HouseMark Benchmarking Group.

- 3.3.91 High levels of customer satisfaction are being recorded with the recording system having been enhanced to capture a wider range of customer responses. There have also been enhancements to the process of on-line bidding to make it easier for bids to be registered using Newark and Sherwood Homes website.
- 3.3.92 The Housing Choice Team have managed to maintain this level of performance in spite of the substantial increase in activity as measured over the last couple of years.
- 3.3.93 The Company is progressing an opportunity to partner with local charities that recycle decorating materials and furniture. Negotiations are being held with these organisations to enable them to be promoted at the time new tenants enter their new tenancy, through a tenant's welcome pack.

### *Rent Arrears*

- 3.3.94 The Company operates with a specialised Rents Team that is dedicated to recovery of current and former tenant arrears. Including on costs and overheads, the cost of the Rents Team is approximately £250,000. The total amount of rent due this year to date is £9.5 million (of which around 60% is recovered through Housing Benefit). The amount of rent arrears as at November 2006 was £212,057. Rents are paid on a fortnightly cycle and the rent recovery process is organised to ensure early action to seek to recover arrears and minimise mounting arrears as quickly as possible.
- 3.3.95 The role of the Rents Team, therefore, is fundamentally to provide advice and support to individual tenants to prevent arrears occurring, or when arrears do build up, to support tenants in addressing their financial difficulties.
- 3.3.96 As at January 2007, 99.35% of rent was collected against a target of 99.3%. The Company has introduced the additional rent payment option of Direct Debit and aims to introduce swipe cards for payment at shops/convenience stores from April 2007.

### *Disabled Adaptations*

- 3.3.97 For the 2005/6 financial year the disabled facilities budget was increased to address the backlog of welfare adaptations within the service. Satisfaction rates with the service are excellent with 100% of service users being satisfied and disabled adaptations being processed and completed in an average of 30 days.
- 3.3.98 Adaptations are delivered in partnership with NCC Social Services and the time taken to deliver is too long and requires focus on process and procedure to deliver improvement.

- 3.3.99 Newark and Sherwood Homes offer tenants in sheltered accommodation, the opportunity of having a shower in place of a bath, grab rails if needed, and improved access to their home when completing Decent Homes works, synergy and delivery of programmes of work and ad hoc requests would yield accrued Value for Money.

*Objective 4 - To be financially viable beyond 2010 and providing Housing services within the Community*

- 3.3.100 The resources available to the Company highlight a requirement to both maximise efficiency and Value for Money and increase income.

*Efficiency and Value for Money*

- 3.3.101 The Company has continued to use its Efficiency Delivery Vehicle to inform this Business Plan. External challenge will drive the review of the Value for Money framework and strategy of the Company which will be implemented by April 2007/08.

- 3.3.102 This approach has created a focus on Value for Money for delivery in 2007/08.

*Income*

*Freedoms and Flexibilities for ALMOs and the Market*

- 3.3.103 DCLG review document indicates a number of options that could assist the continued financial viability of Newark and Sherwood Homes. Having highlighted the demands upon the Company this is a key area to proactively analyse and manage to ensure the Company has full consideration of any opportunities or impacts. This builds upon the work started in this year, the paper set out a significant review process to be progressed before 2009/10 in the case of Newark and Sherwood Homes. These flexibilities can only be delivered through partnership with the Council.

- 3.3.104 The Company has been established as the Council's partner during 2006/07 with preferred developer status (management) for the coming year. NSH will build upon this to ensure that the needs of the Council are fully met.

*Increasing Income Stream and Building Asset Base*

- 3.3.105 The Company is seeking authority from its shareholder to provide additional services to third parties within the existing constitution. This would enable the Company to consider the financial viability of such opportunities. The Company has sought permission up to 5% of the value for the Company's turnover and recognises the need to ensure that such business does not detract from its core business as service provider to Newark & Sherwood District Council.

- 3.3.106 Proactively working with the Council to consider options to directly support the delivery of, or deliver new affordable housing will enable the consideration of an increased income stream and the formulation of an asset base currently not possessed by the Company.

### *Sustainable Communities*

- 3.3.107 Newark and Sherwood Homes sees a key role to play up to, and beyond, 2010 with partners in developing and supporting sustainable communities. This involves the full range of issues including building fabric and maintenance, environmental infrastructure and maintenance, community involvement and influence and delivery of high quality responsive service from all partners. The Company will seek to develop its role further to deliver sustainable communities. The Company aims to improve tenants' satisfaction with their environment and to ensure tenants feel safe in their own homes. The Company also aims to respond positively to the Government's Respect agenda which it sees as playing a key role in supporting sustainable communities.
- 3.3.108 The Company recognises the importance of contributing nationally, regionally and locally in the housing sector to demonstrate its ability to contribute to the community and be a viable service provider within the sector. The Company Chairs the Housing Forum within the Local Strategic Partnership, is an active member of the Crime and Disorder Partnership and the Drug Action and Alcohol Reference Group. The Company is an active contributor at the Midlands ALMO Club and sits on the Housing Quality Network Advisory Group. The importance of regional and national involvement has been clearly identified to ensure the Company maintains up-to-date information and is involved in developing sector agendas for the future. The Company has taken on the provision of the Council's Handyman Scheme which provides additional services without additional resources.

### Developing Sustainable Communities

- 3.3.109 Having established during 2006/07 a fundamentally new approach to Tenant Involvement and Participation and the reshaping of the Housing Officer role, managing patches and monitoring the delivery of the Housing Services through techniques such as sustainability assessment process there is a key priority for the coming year to begin to engage realistically with communities to examine where the opportunities are to build on established communities to ensure community cohesion and identify those areas where an alternative approach is to re-generate estates as required.

### *Relationship with Shareholding Council*

- 3.3.110 As a Council-owned Company its future ability to be financially viable and contribute to the community through the provision of housing services is heavily dependent upon the Company's working relationship with the Council. As a key stakeholder the relationship has to be proactively and effectively managed. The Company has responsibility for the provision of services, but as with any Company the shareholder must be satisfied that the Company performance and its operations are in accordance with its management agreement and constitution.
- 3.3.111 A positive equal partnership is the essential basis for a successful relationship. Communication is important within the relationship. The Company provides a range of information within the terms of its management agreement and has an open approach to provide information and undertake communication at a level that is considered appropriate by both organisations and that does not create

unreasonable or unsustainable resource commitments for either party. Formulation of the Company has by its nature removed the services provided to arms length as intended. The Company fully recognises it must regularly analyse, review, adapt and change its relationship to maintain the required positive equal partnership.

- 3.3.112 Timely consideration is required on the likely future freedoms and flexibility options for the Council with regard to how Newark and Sherwood Homes can meet and satisfy service users desires, needs and expectations. Integral to this being consultation with service users.
- 3.3.113 An implicit element in the delivery of this objective is customer satisfaction, involvement and support. Further on in this Plan in the Customer Focus and Community Engagement section there is a detailed description of the mechanisms utilised by the Company to involve the community.

### *Customer Satisfaction*

- 3.3.114 Performance in each of the key service areas is monitored within our service performance framework to ensure we maintain our service standards and customer promise

Commitment to customer satisfaction is fundamental to delivering services in line with customer expectations and is at the heart of our service priorities. Comprehensive mechanisms rigorously monitor our performance in achieving the service standards and customer promise. This is supplemented by detailed data derived from a number of sources such as the annual STATUS survey, individual service specific surveys and informal mechanisms such as complaints and compliments. Regular performance feedback on standards achieved is provided for tenants through the newsletter, Home from Homes. Overall customer satisfaction is currently 84% (STATUS survey 2006) and represents upper quartile performance.

## **3.4 Customer Focus and Community Engagement**

### Equality and Diversity

- 3.4.1 Ensuring fairness in everything that we do and ensuring that there is equality and diversity in the service delivery mix, is important for the Company. Having established a comprehensive monitoring arrangement during the course of 2006/07 this will be utilised to ensure that the needs of delivering equality and diversity are not just met but anticipated and delivered well in advance of the need arising.
- 3.4.2 NSH provides housing related support appropriate to need and refers to/and involves local partners when needed to promote social inclusion. Information is monitored and informs decisions about priorities for the service. Literature is available in a range of formats and languages. NSH works in partnership with statutory and voluntary agencies to publicise the service.
- 3.4.3 Newark and Sherwood Homes has an integrated Housing Information System which holds data on the diversity of tenants and prospective tenants. A clear understanding of the local community is demonstrated through the Council's

Housing Strategy which is based on a Housing Needs Analysis. Newark and Sherwood Homes uses its own information and that of its partners such as the Council to ensure that it develops and adopts services to meet its user profile within a wider understanding of the local community. The integrated Housing Information System covers all service areas and has a rolling review programme to update the data held. A routine management information process ensures regular monitoring of service user take-up of service by a range of factors including ethnicity. This process enables action to be taken to investigate trends and patterns and service user take-up. Newark and Sherwood Homes has clear standards of services, with a specific standard on access. NSH's offices and buildings are DDA (Disability Discrimination Act) compliant including using wheelchair access and hearing loops. Newark and Sherwood Homes does not discriminate against any person.

- 3.4.4 Newark and Sherwood Homes adapts its services to meet customer need through provision of: a clear access strapline on all key literature, LanguageLine, signing, minicom, text phone, translation services and audio tapes facilities. Support for staff and vulnerable customers is paramount within its services and there are procedures to ensure effective management of service to potentially dangerous residents and to deliver services to more vulnerable tenants. A floating support system is provided in partnership with local Registered Social Landlords (RSLs) and incorporates a regular review and assessment of the services needed. Specific support services are provided to all tenants who are vulnerable through old age including personal contact and aids and adaptations.
- 3.4.5 Information on best practice is shared through the internal communication framework, e.g. newsletters, newflash and team meetings.

### Development and Improvement of the Service

- 3.4.6 In order to effectively develop and improve the services offered to tenants and leaseholders, Newark and Sherwood Homes seeks to involve tenants in all elements of service delivery through Area and District Panel Meetings, Monitoring Group Meetings and meetings with the Federation of Tenants and Residents Associations. Newark and Sherwood Homes operates the 'Housing Matters' and 'Complaints Matters' Schemes, which enable tenants to give feedback about staff or any aspect of the housing service they have experienced. A similar scheme is also available for staff to identify areas for improvement within service provision.
- 3.4.7 This approach to continuous improvement and service development is, and will continue to be, underpinned by the training and support for staff. The importance of training and support for staff in a period of change, and to ensure our service continues to improve, is fully recognised and a programme of training will be developed specifically to support staff in their changing roles and to maximise skills to deliver an excellent service.
- 3.4.8 As can be seen above, the Company has continuous improvement embedded into its culture.

## Tenant Involvement and Consultation in Service Delivery

- 3.4.9 Newark and Sherwood Homes has strong tenant participation, involvement and consultation. The involvement of tenants and leaseholders in the decision-making processes results in the service reflecting tenants' views and aspirations.
- 3.4.10 Tenants have been actively consulted throughout the development of services provided by Newark and Sherwood Homes, including involvement in the formulation of the Resident Involvement Strategy.
- 3.4.11 A wide range and variety of methods to communicate are used, including:

	Involvement	Consultation	Information
The Board	√		
Area and District Panel Meetings	√	√	√
Easy Reading Panel	√	√	√
Coffee mornings	√	√	√
Complaints Matters Scheme	√		√
Newsletters – Home from Homes		√	√
Feedback Forms	√		
Focus Groups	√	√	√
Free phone	√		
Housing Matters Scheme	√		√
Housing Management Monitoring Group	√	√	√
Leaflets	√	√	√
Leaseholders Services Monitoring Group	√	√	√
Letters		√	√
Newark & Sherwood District Federation of Tenants & Residents Associations	√	√	√
Posters		√	√
Repairs Monitoring Group Meetings	√	√	√
Road show events	√	√	√
Surgeries	√	√	√
Surveys and Questionnaires	√	√	√
Tenants Conference	√	√	√
Tenants Consultation Register	√	√	√
Tenants and Residents Association Meetings	√	√	√
Tenants Training	√		√
Via partners/stakeholders	√	√	√
Voluntary and Community Newspapers			√
Walkabouts	√	√	√
Website			√
Working Groups	√	√	√
Youth Tenants and Residents Associations	√	√	√

3.4.12 Extensive tenant participation has helped to shape Newark and Sherwood Homes' future plans. From the results of tenant satisfaction surveys, it is clear that not all tenants would wish, or are not able, to participate in traditional consultation mechanisms. For the same reasons, the level of involvement depends upon personal circumstances of tenants and leaseholders.

3.4.13 Newark and Sherwood Homes recognise the importance of equal opportunity and delivers flexible opportunities to facilitate different levels of involvement dependent upon customers' needs to enable individual participation and consultation through the following:

a) *Newark and Sherwood Homes' Board*

Newark and Sherwood Homes' Board provides strategic direction for the organisation comprising fifteen members with a third from each of the following: Council nominees, tenants and independents. Directors of the Board receive training to support their Board membership that is reviewed annually through appraisals. Facility within the constitution allows for the co-option of a leaseholder.

b) *Newark and Sherwood District Federation of Tenants and Residents Associations*

Newark and Sherwood District Federation of Tenants and Residents Associations is an umbrella group formulated to support and represent the interests of the Tenants and Residents Associations (TRAs) within the District. Newark and Sherwood Homes provides funding subject to an annual review, to support the Federation of TRAs through the provision of office accommodation and a grant dependent upon resources. The Federation grant includes a sum for distribution to TRAs for support and administration costs.

c) *Area and District Panel Meetings*

Area and District Panels are held three times per year in consultation with the Newark and Sherwood District Federation of Tenants and Residents Associations to discuss, consult and debate policy issues within the service. The Area Panel also enables opportunities for tenants and leaseholders to raise issues of a local nature. The District Panel concentrates on issues that are relevant to all tenants and leaseholders and items specifically raised through the Federation and the Tenants and Residents Associations. Open invitations are extended to all tenants, leaseholders and local Ward Members to attend either Panel meeting.

d) *Individual Consultation*

On an individual basis, all tenants are consulted and where possible will be able to participate in fixing the programme of works to be carried out in their homes for example, the layout of the kitchen to suit their needs. Tenants are benefiting from the increased choice of styles and ranges of investment works such as kitchen cupboard door colours and styles.

e) Monitoring Groups

Three monitoring groups have been established, Leaseholder Services, Repairs and Maintenance, and, Housing Management to cover the housing service. The groups have a fundamental role to play in monitoring standards and performance. Newark and Sherwood Homes actively works with tenants and leaseholders in formulating the programme of investment works to their homes through the Repairs Monitoring Group. Membership of the groups comprises representatives from the TRAs and the Federation of TRAs.

f) Surgeries

A schedule of Supported Housing surgeries is produced annually for the District and is resourced by officers from Newark and Sherwood Homes to which all Sheltered Housing tenants are invited to attend. These allow residents to raise issues of an individual and general nature.

g) Surveys and Questionnaires

A series of telephone or postal surveys are conducted annually to establish satisfaction levels with all aspects of service provision to facilitate improvements in service delivery. Newark and Sherwood Homes ensures through random sampling that contractors monitor performance in delivering satisfaction as part of the major investment programmes.

h) Tenants' Conference

An annual tenants' conference is held in partnership and conjunction with the Newark and Sherwood District Federation of Tenants and Residents Associations. An open invitation is extended to all tenants and leaseholders. This is a valuable opportunity to consult and inform tenants and leaseholders about a wide range of housing issues.

i) Tenant Consultation Register

Tenants are able to choose the level of involvement they want through the Tenant Consultation Register either by telephone, in writing or via email. This method of participation is particularly of benefit to those who are not able, or choose not to participate in traditional methods of tenant involvement. The Tenant Consultation Register is reviewed annually to ensure details are updated and levels of interest maintained.

j) Tenants and Residents Associations and Youth TRAs

Newark and Sherwood Homes seeks to provide officer support to develop TRAs to enable them to fully contribute to the decision-making processes and participation mechanisms.

k) Tenants Training

A training needs survey is issued to each TRA annually to establish training requirements for the Associations to build capacity and skill base. Feedback is utilised to establish effectiveness and relevance for future training events.

l) Walkabouts

A schedule of estate walkabouts is produced annually for the District and is undertaken with officers, local Tenants and Residents Associations, and representatives of the Federation of TRAs. An invitation is also extended to local Councillors, the Highways Section of Nottinghamshire County Council and the Police as appropriate. Minutes itemise and record actions agreed and the lead officers responsible for delivery. Feedback from all walkabouts is reported to all tenants and leaseholders via the newsletter "Home from Homes".

m) Newsletters - Keeping Tenants Informed

Regular newsletters are produced for all tenants and leaseholders to deliver current information on service delivery and events. In addition, Newark and Sherwood Homes publishes a magazine three times per year to enable all tenants and leaseholders to keep up-to-date with the latest news and activities within the Service. The magazine incorporates quarterly performance management information and annual outturns as standard.

n) Service Reviews - Tenants Shaping the Service

Tenants' and leaseholders' views are incorporated into service reviews using a variety of different methods including:

- a) questionnaires issued to all new tenants to ascertain satisfaction levels with both the allocation process and the property re-let standard to assist in future planning, service provision and standard of service.
- b) Exit interviews or questionnaires are conducted to establish the reasons for termination of property which will identify key areas for improvement.

o) Easy Reading Panel

The membership of this panel comprises of tenant volunteers who review the style, layout and contents of a wide range of different

printed media before distribution to tenants and leaseholders. Consultation is conducted either by post or personal interview to establish if literature is user-friendly and jargon free.

- 3.4.14 The Audit Commission inspection report produced in 2005 recognised that the Company's approach to tenant participation was sound. The report suggested that this could be improved through modernisation and less reliance on traditional participation mechanisms. It emphasised a requirement to involve more people in an increased variety of ways, making sure that feedback utilised in service improvement and development was not always from the same participants. The aim of modernisation is to ensure that all customers have access to feedback mechanisms and that they are taking the opportunity to use them. If they weren't using systems in place the question should be asked of whether changes were required.

### The Tenant Compact and Participation Policy

- 3.4.15 The District Tenant Compact has been agreed and developed in consultation with tenants, leaseholders and the Council. A Compact Group will annually review the effectiveness in response to future needs.
- 3.4.16 The Resident Involvement Strategy sets out how the Company will engage residents on the services provided and details the opportunities to contribute effectively. The Strategy is supported by a comprehensive three year action plan to deliver the key priorities identified and agreed by residents. Emergent issues and key priorities identified in the formulation of the Strategy included access, customer care and user focus, equality and diversity, resources, mystery shopping and value for money. Actions identified to address the key priorities primarily revolved around the use of new technologies such as text and online facilities as well as streamlining systems to ensure consistency in application.

### Responding to Customer Views in Service Improvements

- 3.4.17 Work has been undertaken to seek tenant opinion on the delivery of grounds maintenance service. Comments and views from tenants will inform the revised grounds maintenance specification and contract to be re-tendered at the end of 2006 with a view to the new contract commencing in spring 2007.
- 3.4.18 Newark and Sherwood Homes are keen to provide assistance and support to tenants to enable them to become more involved in their own community. Over the year the Company has successfully worked with tenants to develop communal garden clubs at various locations around the district. The work already undertaken by communal garden groups has delivered significant benefits, not only in improving the local environmental appearance, but also in tenants becoming more active in and promoting improvement of their local community.
- 3.4.19 As can be seen above, the Company has a comprehensive range of opportunities for tenants and service users to participate. Opportunities to extend this even further to take advantage of opportunities for innovation and to ensure best practice will continue to be progressed by the Company.

3.4.20 Newark and Sherwood Homes have introduced the Community Investment Fund (CIF), which is a tenant directed project. Newark and Sherwood Homes consider that the best custodians of the local environment are the local residents. They are generally aware of the local problems and often have solutions on how these may be resolved. The Community Investment Fund provides funding to tenants to enable their ideas to be realised without it needing to fit into one of the Company's major projects. This scheme has been well received and local tenants have proposed a number of projects. It has been a catalyst to encourage tenant participation and local ownership, with a number of local communal gardening clubs forming on the back of successful local CIF bids. The scheme also provides further opportunity for the identification of larger problems at a local level.

### **3.5 Organisation and People**

#### **Equality and Diversity**

3.5.1 Newark and Sherwood Homes has an Equal Opportunity and Diversity Policy statement, that reflects the Company's Core Value which is "To value the contribution of everyone", and promotes its commitment to equality and diversity. The Policy has been approved by the Company's Board and is an inherent part of the Company's policies, procedures and operations.

3.5.2 Newark and Sherwood Homes embraces and celebrates individuals' uniqueness and draws on different perspectives and experiences to add value to the way it does business.

3.5.3 By accessing, recruiting and developing talent from the widest possible skills pool Newark and Sherwood Homes can gain an insight into different markets and generate greater creativity in anticipating customer needs. Newark and Sherwood Homes will constantly strive to create a productive environment, representative of, and responsive to, different cultures and groups, where everyone has equal access to success.

3.5.4 Using fair, objective and innovative employment practices, Newark and Sherwood Homes' aim is to ensure that:

- All employees and potential employees are treated fairly and with respect at all stages of their employment
- All employees have the right to be free from harassment and bullying of any description, or any other form of unwanted behaviour, whether based on sex, trans-gender status, marital status, race, disability, age, political or religious belief or sexuality
- All employees have an equal chance to contribute and to achieve their potential, irrespective of any defining feature that may give rise to unfair discrimination

3.5.5 Through its Equal Opportunities Policy on Service and Employment, Newark and Sherwood Homes will continually monitor and review to ensure its effectiveness.

- 3.5.6 In monitoring and recording ethnic breakdown within the Company and its partnerships, NSH uses the categories recommended by the Commission for Racial Equality. NSH operates in accordance with CRESH and are progressing towards level 2 of the Race Equality Scheme (RES). Through the Company's Business Services Directorate the Company will monitor and review best practice, emerging legislation and regulations to ensure effective and continued high standards of service development. This is underpinned by an effective training and development programme for Directors of the Board, staff and tenants to share 'knowledge'.
- 3.5.7 Information on equality and diversity is widely shared within the Company. NSH's management information system is computerised and fully integrated across the Company. Reports and information on performance are provided to tenants, Board and staff with appropriate information and related actions.
- 3.5.8 Newark and Sherwood Homes has clear Harassment, (including bullying), and Whistle Blowing policies and a clear Complaints Procedure. Further achievements showing the Company's commitment to equality and diversity can be demonstrated by:

*Two Ticks* – Newark and Sherwood Homes has been successful in showing its commitment to good practice in employing disabled people and in recognition of this, has been awarded this prestigious award. In order to be able to use this symbol the Company has demonstrated its positive action in the way it attracts and retains disabled applicants. Key to its success is the way the Company focuses on individual's abilities rather than their disabilities.

*Job Evaluation* – In response to the Equal Pay Act and the 1997 Single Status Agreement, the Company has undergone a Job Evaluation exercise using the Greater London Provincial Scheme. This has enabled the Company to demonstrate its commitment to equal pay between men and women and eradicate any discrepancies. Now implemented it has been very successful in identifying those posts, predominately carried out by women that required altering, and have now been evaluated using the same criteria as all other posts. We are confident that all posts covered by this scheme are now valued consistently using the same factors.

*TRA Groups* - There are currently 19 active TRAs across the district and an open invitation is extended to all tenants and leaseholders. Representation via TRAs across the district is monitored monthly, along with ethnicity of individual TRA Committee membership, to promote equality and diversity.

*Corporate Strapline Procedure* - The inclusion of the corporate strapline seeks to promote the Company's commitment to equality and diversity whilst advertising to customers the availability of different formats to maximise access. The procedure includes an annual review of all documentation and literature produced to ensure consistency and compliance.

- 3.5.9 The Company has, through a comprehensive review of data, provided all tenants with the opportunity to provide details on ethnicity. This data is continuously updated as service contact is made with the tenants or houses are re-let utilising the data held on the housing register.

3.5.10 Monitoring of Equality and Diversity information is a key element of the Company's overall performance management framework with targets for access to service established for all key service areas. One of the most significant ethnic minority groupings within Newark and Sherwood are travellers. This remains an area for research to ensure opportunities to access to services is maximised.

### Equality and Diversity Monitoring

3.5.11 The Company has in place a robust monitoring framework which can be reviewed to ensure that the arrangements reflect 'best practice' and meet the requirements of a three star housing organisation.

### Access and Customer Care

3.5.12 *FOI Performance and Implementation* – Since the Freedom of Information Act 2000 came into force, the Company has received a total of nineteen requests, three from the Press and the other fifteen from Private Individuals. The average time taken to respond to these requests is 6.5 working days.

3.5.13 During the year the Company the conducted access to service review. This involved surveying tenants through the newsletter Home from Homes and this was informative in determining that tenants are broadly happy with the current opening hours and service location at Kelham Hall, Ollerton and Hawtonville (Also rent payments at the Town Hall). Expanded options in terms of payment was heavily supported resulting in the introduction of direct debit and Allpay payment mechanisms.

3.5.14 Access to service review indicated an appetite for further developments of service using information technology, such as web-based services and text or SMS messaging.

3.5.15 *Chartermark*- Achievement of the Chartermark demonstrates the Company's firm commitment to delivering quality service provision as stated in our Vision – 'to deliver excellent housing services'. The Company successfully retained Chartermark accreditation during the annual continuous improvement assessment in January 2006 which is retained for a 3 year period.

3.5.16 *Free phone* - The free phone facility originally provided for reporting repairs has been extended to the emergency out of hours services provided by the Company in direct response to improving customer access and care.

3.5.17 *Service Standards* - A comprehensive series of service standards introduced during 2005 were developed with the direct involvement of tenants and leaseholders. The standards included equality and diversity issues in addition to operational performance. These standards are regularly monitored and reviewed by the Company and through the Monitoring Groups.

3.5.18 *Tenants Handbook* - The Tenants Handbook introduced in 2005 received widespread praise from tenants, the Chartermark assessor and the Audit Commission. The handbook, issued to all tenants, sets out a wide range of

information regarding the services provided and tenants rights and responsibilities.

3.5.19 *Customer Feedback Schemes* - Two new customer feedback schemes were introduced at the formulation of the Company: 'Housing Matters' and 'Complaints Matters'. Both schemes enable any service user to comment upon the service received or make suggestions for improvement. Analysis of both schemes and action taken is regularly reported back to tenants and leaseholders through the newsletter "Home from Homes".

3.5.20 *Service Development Scheme* - The Service Development Scheme captures feedback from a wide range of sources and includes for example customer feedback, minutes of meetings, surveys and questionnaires. The feedback is analysed and regularly monitored and reviewed by the Company to inform and improve services provided.

3.5.21 *Information Technology and 'e'-Government* - The Company utilises a variety of IT software systems ranging in size from an integrated management system to more local applications. These combined are comprehensive, however, they have been purchased on an ad-hoc basis, which has limited full integration of all data. In accordance with BVP157 the Company is fully e-compliant providing a full range of service electronically over the internet.

3.5.22 Through Central Government funding the Company has procured a web based service delivery system 'I Housing', a major upgrade to its housing system and a works scheduling software package to introduce further efficiencies into the repairs progress.

3.5.23 *PR/Media* - The Company has recognised the importance of Public Relations and as part of the recent restructure took the opportunity to develop the Business Services Directorate to provide support and guidance on Public Relation issues. Over 40 articles have appeared in media publications, chiefly the Newark Advertiser but also Mansfield CHAD and Inside Housing. These have included:

- Yorke Drive Clean Up
- NSH Succeeds in Gas Servicing
- Maythorne Grove, Car Parking
- Building for the Future
- Fruity Friday Runners
- Modernisation of Cornish Housing, Clipstone

3.5.24 The new Directorate has introduced 'Staff Guidelines for Organising an Event or Preparing a Press Release'. These guidelines give practical advice on what to consider when identifying positive public relation opportunities and the essentials of preparing a corporate event.

3.5.25 Although much effort has been made in the PR/Media arena, the Company needs to further develop its skills, knowledge and expertise in order to maximise all PR/Media opportunities.

"Home from Homes"

3.5.26 This tenant magazine is currently produced 3 times a year and contains a range of information which promotes; how the Company is doing with the Decent Homes programme; what's going on in tenants' neighbourhood; statistics on how the Company is performing; tenant satisfaction information; information on how they can get involved; services the Company supplies and on a lighter note an easy competition which gives them a chance to win gift vouchers.

*"Home Comforts"*

3.5.27 This is an in-house magazine for staff and is currently published approximately ten times a year. This is packed with Company performance information and tells the staff what the Company needs to do to achieve three stars. It also recognises and thanks those staff who have gone the 'extra mile' and includes useful information about each Directorate. Although it is primarily for the staff, the Company is keen to involve the whole family and promotes involvement through competitions.

*Bus Tours*

3.5.28 Several bus tours have now taken place and a variety of participants have been invited, including tenants, Directors of the Board, MPs, Councillors and staff. These informative tours have enabled those attending to see at first hand the work being carried out by Connaught and Bullock on the Decent Homes Programme.

*Councillor Briefings*

3.5.29 As part of the overall communications strategy with Councillors, Quarterly Councillor Information Briefing sessions have now been organised. The aim of the sessions is to advise Councillors of the service Newark and Sherwood Homers are delivering and give an opportunity for Councillors to ask questions.

*"Update from Homes"*

3.5.30 This information document is currently produced on a six-weekly basis and is another communication mechanism for the stakeholders. This effective communication tool ensures the Company's stakeholders including Councillors, Housing Associations and MPs are kept up to date on current performance; understand what is happening in the district; gives key contact numbers and includes invitations to walkabouts, bus tours etc.

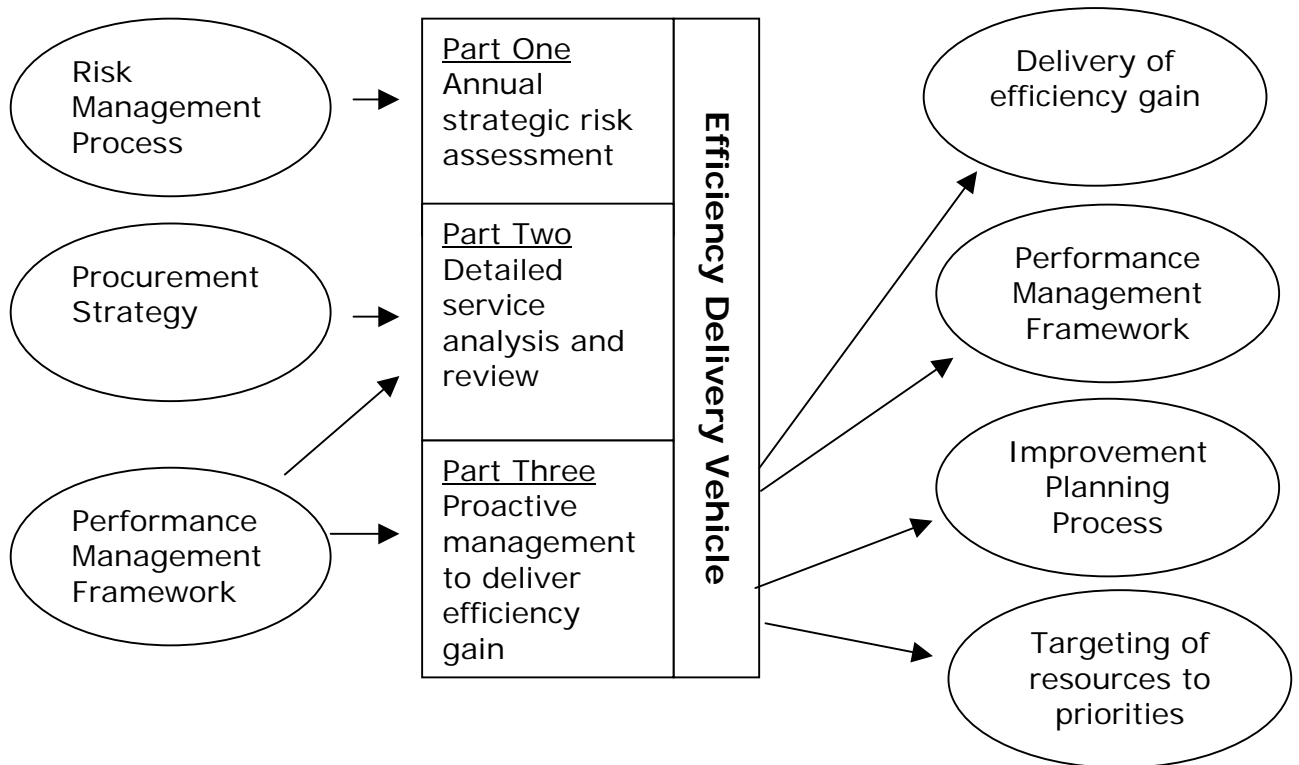
3.5.31 The Company has taken a more proactive approach, which has ensured that exposure to media opportunities has been exploited.

3.5.32 As outlined above, the Company has established Equality and Diversity monitoring across all key service areas to ensure fair and equitable access to service from all groups and individuals.

*Value for Money*

3.5.33 The Company's approach to delivering value for money is evident throughout the Plan. The central strategic tool driving all of this is the Efficiency Delivery

Vehicle. The tool has a number of key stages which can be depicted diagrammatically:



3.5.34 The outputs of the Efficiency Delivery Vehicle process are incorporated within the Company's Improvement Planning Process as part of the data collation and analysis and has informed both the outturn performance in the delivery of our objectives and emergent priorities within this Plan.

3.5.35 The Company actively seeks value for money across the activities in which it is engaged. It is active in procurement and benchmarking which needs to be extended and used more effectively. The Company has a good understanding of its costs. Work has been done during the current financial year to support an increased awareness of Value for Money, however, there is an increased need for the wider integration of this ethos into the Company.

3.5.36 An independent assessment of how Newark and Sherwood Homes demonstrates efficiency and value for money has identified that management costs which include central, support and non pay management, have increased over and above allowances during the last two financial years compared to other similar comparators.

### *Investment Programme*

3.5.37 The formulation of Newark and Sherwood Homes in November 2004 saw the introduction of a dedicated in-house team for the delivery of the Council's major investment programme, and the management of the partnership contract for the delivery of the additional funding available through the formulation of the ALMO. The performance of this dedicated team has seen improvements in the

delivery and satisfaction of the works associated with major improvement programmes.

3.5.38 Two of the Company's Core Values are: 'delivering excellence' and 'making positive improvements'. Improvements in tenant satisfaction have been seen in the delivery of Decent Homes work with tenant satisfaction rising from 86% in 2005/6 to 94% in 2006.

### *Gas servicing*

3.5.39 The service is contracted out to gas servicing contractors under five contract areas, and the Company has an in-house gas engineer to sample check each contractor to ensure that the services are being undertaken in accordance with gas regulations and the contract specifications. The three-year contracts were tendered during 2004, to ensure value for money. This approach has been inspected as part of the companies' CORGI membership (Council of Registered Gas Installers) and has been accepted as good practice.

### Staff Involvement in Service Delivery

3.5.40 *Staff Survey* - Staff are a vital resource of Newark and Sherwood Homes and the Vision statement '*to deliver excellent housing services*' will provide the primary focus for standards of excellence.

3.5.41 In response to feedback from the annual Staff Satisfaction Survey, the Company has set up 'Partnership' meetings.

3.5.42 *Briefings* - All members of staff have the opportunity to attend staff briefings and regular newsletters are issued to all services within Newark and Sherwood Homes for circulation and display. Information is also available through the internet. Newark and Sherwood Homes operates a staff suggestion scheme. Feedback from this scheme is evaluated and fed back into service delivery to improve service provision.

3.5.43 *Training* – Providing the right skills and knowledge to our staff is essential if we are to achieve three stars and lead the industry by establishing 'best practice'. The Company has many benefits and one which staff really appreciate is the investment we are prepared to make for our staff's development.

3.5.44 Equality and diversity, and customer care are fundamental in giving the Company a positive internal and external image. On an annual basis we ensure that staff are appropriately trained in these important areas.

3.5.45 *Staff Development Interview* - All staff will have an annual development review, the outcome of which will identify individual training needs and help to formulate a training plan. Training and support for all staff will be delivered to ensure that the culture of the organisation is focussed on, and motivated to, providing high quality services.

3.5.46 *The Senior Management Team structure* of Newark and Sherwood Homes includes human resources as an integral element. This reflects the recognition that staff are professional, well trained and developed to effectively work in

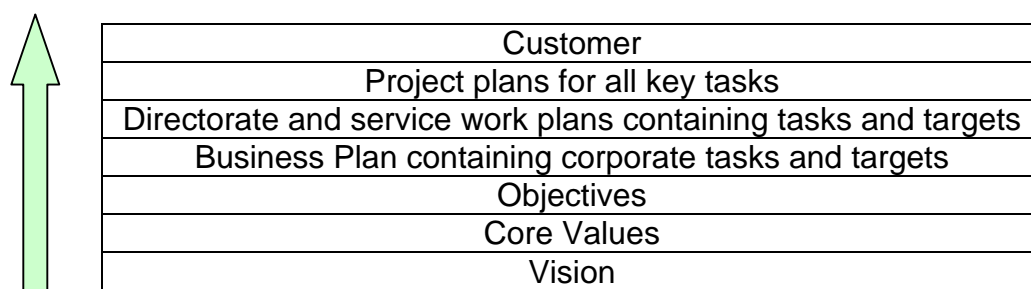
accordance with Newark and Sherwood Homes' Core Values and deliver its Vision.

### Performance Management and Capacity to Deliver

3.5.47 Newark and Sherwood Homes has a robust strategic framework detailed earlier in the Plan under 'Governance and Leadership' that incorporates a number of measures to assist the Company and to ensure it has strong performance management and capacity to deliver.

3.5.48 *Performance Management* - The Company's performance management framework outlines its formal performance reporting mechanisms which is underpinned by a performance management guide. The Company is clear that the aim of performance management is to ensure delivery of Company standards, targets, and tasks. Comprehensive processes ensure that all of these are regularly monitored and that corrective action to deliver required results is taken swiftly.

3.5.49 The Company operates a tiered approach to underpin successful delivery to the customer. It is usefully demonstrated diagrammatically:



3.5.50 The Company's Vision sets the foundation from which steps are taken to ensure effective performance management to deliver excellent services to the customer.

3.5.51 Effective management information is integral to successful performance management. The Company has comprehensive information technology systems.

### *IT Strategy*

3.5.52 Modern IT systems and an effective strategy are vital to modernising and delivering future services that are customer focussed and enhance the provision of quality, cost effective services that demonstrate value for money. 'Joined up' thinking on IT will maximise investments and will have a major impact on the ability of Newark and Sherwood Homes to deliver our Objectives and Vision.

3.5.53 A comprehensive consultation and IT review informed the formulation of the Company IT Strategy. This identified the need to ensure that services are integrated and e-enabled in line with our business drivers such as government initiatives to deliver e-enabled services (web enabled services), customer demands for 24/7 access to services (paying rent, reporting repairs, accessing rent accounts, applying for housing etc) and operational requirements to

modernise and integrate systems and information (i.e. asset management, TSHE replacement, document and performance management systems, mobile working, Freedom of Information). Customer needs are key in that information and communications are more accessible and particularly for Newark and Sherwood Homes, overcoming social or geographical isolation in rural areas.

### *Document Management System*

3.5.54 The Company does not have a complete document management system which would provide all the software and hardware required to ensure that control is maintained over documents in whatever format, textual or image. The Company is not presently taking advantage of the benefits that a centralised document store, being fully indexed and searchable, could yield: dramatically reduce paper, improve collaboration/communication between teams, increase the efficiency of information flow, better control over document versions and the ability to find information quickly, quality compliance and audit requirements.

### *Capacity*

3.5.55 Capacity is enhanced through strong performance management and effectively skilled and trained staff must compliment this. Good systems alone will not ensure delivery, staff are core to the capacity of the Company.

3.5.56 The Company will introduce a management competency programme during 2007 aimed to ensure that managers are supported and developed and the Company continues to increase its capacity to deliver.

3.5.57 The Company's performance management guide outlines a clear process for impact assessment as part of performance management. This ensures ability to deliver is continually monitored, managed and acted upon whether corrective action concerns system, skill, culture or resource.

## **3.6 Partnerships**

### Notts Housing Training Group

3.6.1 Newark and Sherwood Homes are active members of Notts Housing Training Group. The Group represents the Nottinghamshire districts to facilitate and provide cost effective training for officers. The Company benefits from substantial reductions in training costs which are tailored to housing related issues.

### Newark and Sherwood Homes and Newark & Sherwood District Council

3.6.2 Newark and Sherwood Homes will use their best endeavours to maintain a positive and productive equal partnership with the Council to deliver services. Regular meetings are held between both officers of Newark and Sherwood Homes and the Council and members of the Council and Directors of the Board at various levels within the organisations.

- 3.6.3 The Council provides a range of services to Newark and Sherwood Homes in accordance with Schedule Nine of the Management Agreement. The plan earlier outlines the process undertaken to review the Service Level Agreements. This is an important element of maintaining value for money services.

### Vale View

- 3.6.4 Vale View is a sheltered scheme for frail/vulnerable elderly tenants and has capacity for 51 single occupants and 4 couples. It is a partnership scheme managed jointly by Newark and Sherwood Homes, Nottingham Community Housing Association and Nottinghamshire County Council Social Services. There is 24 hours Housing Support and the facility to provide personal care to 20 high dependency tenants who would otherwise need to access residential care. A meal service is provided 7 days a week and other facilities include a laundry, assisted bathing, shop, post service and extensive social activities. The scheme is in high demand with a constant waiting list.

### Central Control

- 3.6.5 Central Control, based in Ollerton, provides monitoring for the 2,500 Newark & Sherwood District Council sheltered properties with emergency alarms, 89 lifelines installed for vulnerable Council tenants (non sheltered), 170 Nottingham Community Housing Association sheltered properties, 300 private lifeline users and 28 Newark Housing Association tenants. The centre is manned by experienced officers who could provide advice and support between 7am and 7.45pm Monday to Friday, outside of these hours the cover is provided by Tunstall Response. Central Control provides monthly performance figures for Newark and Sherwood Homes and Supporting People performance monitoring. In addition they also work in close liaison with the Primary Care Trust's Falls Prevention Team and monitor the Supported Housing Response Team throughout the working day. Application of the Efficiency Delivery Vehicle singled out elements of the service for value for money scrutiny.

### Response Team

- 3.6.6 The Supported Housing Response Team provide regular housing support and emergency response to 2,500 Newark & Sherwood District Council sheltered tenants, 89 lifeline users in non sheltered Council properties, and 300 private lifeline users. The team holds weekly surgeries in all sheltered community centres, carries out support planning and needs assessment for all new tenants of sheltered housing, followed by liaison with other agencies to ensure appropriate levels of care and support are put in place, and in addition demonstrate, install and maintain lifelines across all tenures within the district.

### Street Wardens

- 3.6.7 The Street Warden Scheme provides a highly visible presence in the Ollerton and Boughton area. The scheme was initially jointly funded by:

- The Neighbourhood Renewal Unit
- Nottinghamshire Community Housing Association
- Ollerton and Boughton Town Council, and
- Newark & Sherwood District Council

However, April 2005 saw Government funding cease.

- 3.6.8 Newark and Sherwood Homes have maintained the service and employ two Street Wardens.
- 3.6.9 Street Wardens can help to promote community safety, help with environmental improvements and housing management. Their visible presence forges links with the community and by foot-patrolling the estates, they are able to support and reassure tenants, respond to problems at the point of contact and highlight any environmental concerns to relevant bodies.
- 3.6.10 Successful partnerships working between Newark and Sherwood Homes, Nottinghamshire Community Housing Association, Ollerton and Boughton Town Council and Newark & Sherwood District Council.

### Human Resources ALMO Network

- 3.6.11 Newark and Sherwood Homes were the founders of the East Midlands HR ALMO Network. The main objectives in setting up of these networks was to share 'best practice' and look at ways in which efficiency gain could be achieved by working together

### Investment Procurement Partnership

- 3.6.12 During the set up of Newark and Sherwood Homes, risk assessments were undertaken which identified the importance of contractor appointment and it was established that the risk of not securing contractors to deliver the enhanced investment funding would be best reduced through partnership contractors. A robust assessment process to appoint the most appropriate contractor was undertaken in collaboration with A1 Housing (Bassetlaw) to ensure that adequate national interest was secured and to promote the maximum value for money.
- 3.6.13 Significant interest was stimulated in the joint procurement process and two contractors; Connaught Property Services Ltd and Bullock Construction Ltd were appointed as the successful partners in September 2005.
- 3.6.14 To enable the significant levels of investment required to be delivered as efficiently as possible, whilst still exploring the most efficient, economical and logistical delivery of the work programmes, it was decided in discussion with the contractors to concentrate on attribute replacement to those areas that had already received kitchen and bathroom replacement. Initial programmes of work have included elemental replacement programmes to meet the Decent Homes Standard and generally include; window and door replacement, and roof replacement. Replacement kitchens, bathrooms, heating system renewal, and electrical rewiring, form significant work streams commenced early in 2006.

- 3.6.15 The partnering contractors have entered into a partnership contract with the District Council for the delivery of the work programmes, which in turn are administered and managed by Newark and Sherwood Homes. To ensure that the contractors continue to deliver value for money over the duration of the contract, a number of Key Performance Indicators have been agreed between the two partnering contractors, A1 Housing, and Newark and Sherwood Homes. This effectively provides four separate live contract areas within which to benchmark rather than two, as would have been the case if the benchmarking were restricted to Newark and Sherwood's District.
- 3.6.16 Significant benefits are to be obtained from the appointment of the partnering contractors, and Newark and Sherwood Homes are keen to ensure that the District has a positive legacy following the delivery of the Decent Homes programme in 2010.
- 3.6.17 Both contractors are required to appoint and train five trade apprentices each from the local community to help meet the local demand for qualified trades people. The first tranche of apprentice recruitment has seen the contractors successfully engage 7 apprentices across a range of trade disciplines.
- 3.6.18 Both constructor partners are keen to promote health and safety within the construction industry and raise awareness of the industry as a career.

#### **4. Priorities for Action**

4.1 Our priorities for action are emergent from the consideration of the information within the 'Our Current Performance' section of the Plan – what is and isn't performing well. These priorities are based on national, local and tenant and leaseholder priorities. Consideration of relevant information impacting on the Company has identified seven emergent general priority areas:-

- Community Safety
- Stronger, Sustainable Communities
- Equal Access for All
- Modernising Delivery
- Income Maximisation
- Maximising Knowledge and Capacity
- Strong Communication and Identity

4.2 While the Company has identified these general priority areas the specific priorities identified are:

*The capacity and skill of Directors of the Board* - The capabilities, dedication and commitment of Directors of the Board cannot be under estimated and attracting the desired calibre to ensure we achieve three stars will be a challenge.

*IT* - In reviewing IT provision, fundamental issues have been identified regarding lack of integration between existing, inefficient systems which were implemented during the early 1990s. Customer demands for access to services 24 hours per day, 7 days per week and the rural isolation of some communities that affect equality of access to services.

*Absence and support for staff* - Time spent away from the business has an impact on customer satisfaction and creates additional demands placed on colleagues to deliver the service.

*Training and Development* - Emergent issues have been identified including the need to continue to invest and develop our staff to ensure retention does not become a key issue for NSH and therefore affect the successful delivery of the services provided.

*Effective modern management information* - Shared knowledge and expertise will enhance communication and development.

*Company Image and Reputation* - The Company's reputation has been risk assessed as critical. Poor or negative communication with the local media is damaging to the Company overall and will impact upon customer perception and satisfaction ratings. Additional work needs to be undertaken to ensure that a positive image and communication of the Company is delivered to customers which is matched by increased performance.

*Enhanced performance in the delivery of responsive repairs* – Considerable improvements have been made continued prioritisation will deliver upper quartile performance.

*Value for Money* – A revitalised focus on value for money across the Company and focusing on some specific services e.g. responsive repairs spend proportions, local offices, sheltered services, IT systems, modern delivery methods, and access is essential to the delivery of the Company's fourth Objective.

*Income Maximisation* – continued focus on maximizing existing and developing new appropriate income streams is an important element to deliver Objective 4.

## **5. Analysis of Options**

- 5.1 The priorities for action identified in the previous section each have a number of options that could seek to address the priority. In considering the options to inform action to be taken, a ranking exercise has been undertaken to assessing the legal requirement of the Company, the requirements that are already committed and should continue, the requirements that will deliver a two star service, the requirements that would deliver value for money and efficiency and the requirements to deliver three star services.
- 5.2 The Company recognises the key strategic role the Directors of the Board play and continually look to support and develop them in this role. Areas to recognise and support this role include:
- more committed spend on individual development
  - review the potential to pay Directors of the Board
- 5.3 IT has been identified as a key ingredient to delivering services that are integrated and e-enabled in line with current business drivers. A number of options or solutions have been analysed including:

- The replacement of the integrated housing management system with full capacity to integrate with other systems
- Increasing access to services through e-enabled solutions such as accessing rent accounts, checking repairs status' and applying for housing
- Implementation of management and information systems to improve performance, communication and centralised document storage facilities to gain efficiencies

Provision of mobile working for the responsive repairs service, with a view to extending mobile solution to other directorates.

5.4 Without staff, the Company would not be able to deliver its services, so proactive management of sick absence is seen as a fundamental role of line managers, not only for the well being of staff but also on service delivery. Options which could support managers further include:

- Tender the service to ensure VFM and gain efficiency savings
- Establish a Service Level Agreement (SLA) with the Council
- Continue to use Kings Mill Hospital

5.5 Income maximisation options include: Management of additional properties, extending services to additional properties, building homes to be owned by Newark and Sherwood Homes and reviewing options for Newark and Sherwood Homes post 2010.

5.6 Analysing if existing services are fully recovered through rent and if service charges could yield additional income.

5.7 There are a number of reviews and appraisals that could contribute to the Company's Annual Efficiency Statement (AES) including:

- Procurement of printing and stationery
- Occupational health
- Front line support and central cost proportions
- Sheltered housing
- Front line delivery terms
- Local Offices
- Review of finance, IT and Internal Audit Service Level Agreements
- External Audit
- Insurance
- Adaptations
- Flexible access to responsive repairs
- Proportion of emergency, urgent / non-urgent repairs

5.8 The Company insurance cover has been obtained under a 3-year agreement that terminates in January 2008. Substantial savings have been achieved during the contract, as the Company has been able to separate its claims history from NSDC and evidence its low claim record. Although it is considered that costs have already been managed down very effectively, it is still considered that the company should subject the service to external challenge, particularly as there are other service providers that compete strongly within the housing sector.

- 5.9 External audit services were secured when the ALMO was first set up in 2004 on a three-year contract. This is due for renewal after the close of the 2006-7 accounts. The Company will be going out to tender during 2007-8. Partnering in the procurement process will be considered as it was in 2004.
- 5.10 A number of procurement areas have been considered where a corporate approach is anticipated to provide better value for money than procurement by separate cost centre. One example is stationery. While not a large cost, significant savings are possible, not in the purchase alone, but also in the administration surrounding the process. Similarly, printing costs have been escalating year on year as the Company increases the level of communication and consultation. While the efforts in this area are commendable, the possibility exists of savings. This could be through better co-ordination of the work across the Company, and/or obtaining a preferred supplier. This will be investigated during the year.
- 5.11 During 2005/6 a review of SLAs was undertaken. There were a range of outcomes, some SLAs being satisfactory, one being subject to full tender, one transferred in house, some with major changes. Finance, internal audit and IT provision will undertake a further review due for completion in June 2007.
- 5.12 The progression of Newark and Sherwood Homes in working towards achieving both Investors in People and the ISO: 9000:2001 standards will continue to be instrumental in addressing key issues relating to the development and training of staff, and, the efficiency of systems to deliver modern services. The Company's commitment to training and development will ensure that staff, systems and services meet customer expectations and result in increased satisfaction.
- 5.13 Communications is a specialised area that could be effectively outsourced or in-house expertise could be developed. By outsourcing, media expertise can be efficiently and effectively managed to maximize exposure in the media and increase public perception of Newark and Sherwood Homes.
- 5.14 To ensure that the service offers value for money to all of its customers leaseholders are to be offered the opportunity to receive servicing and improvement works through the Company.
- 5.15 Value for money improvements to the responsive repairs service are to include appointments for repairs outside normal office hours, and achievement of the optimum ratio for emergency to non-urgent repairs.

## **6. Action Plan**

- 6.1 This section outlines Newark and Sherwood Homes' corporate key tasks and Performance Indicator (PI) targets for the following year and beyond. These have been identified through the Improvement Planning Process undertaken and reflected in this Business Plan. The process identified the priorities for action and the identification of options covered in the earlier sections of this Plan.

- 6.2 Tasks identified in the tables below do not always sit neatly into business planning years, and targets for delivery may be in the subsequent year. Newark and Sherwood Homes undertakes detailed project planning for all tasks to ensure that the Company has the correct capacity to deliver each task in accordance with timescales. The project plans are held within directorate work plans and incorporate key milestones (critical success factors and path analysis) and resources. This process enables the Company to identify tasks for future years, these are also detailed in the tables below.
- 6.3 Earlier in this Plan the Company's performance monitoring and management mechanisms have been detailed which include a real time on going impact assessment to ensure that capacity and targets are reviewed to reflect the impact of any unexpected demands.
- 6.4 As detailed earlier in this Plan the Business Plan itself is one stage in a tiered approach to performance management of service delivery. The tasks listed in the action plan below are the corporate tasks for the Company. There are a wide number of additional operational tasks identified in Directorate and section plans.

## Corporate Key Tasks

### Newark and Sherwood Homes Corporate Key Tasks 2007/2008

No.	Key Task	Lead Officer	Target Date	Expected Output	Expected Outcome	Core Values Satisfied	Objectives Satisfied
TDCKT1	Identify a suitable corporate solution for mobile working and implement into responsive repairs	AST	April 2007	Mobile provider and communication linked to optimiser	Improved Responsive Repairs to upper quartile Contribute £40,000 2008/09 to Annual Efficiency Saving	1 3 4	A, C,
TDCKT2	Develop leaseholders scheme for servicing and improvements	AST	March 2008	Flyers and notices provided to leaseholders for service and improvement services	Preferential rates for service and improvements offered to leaseholders	1 2 3 4	A, C, D
TDCKT3	Option appraise and amend flexibility of repairs appoints service	AST	Aug 2007	Flexible repairs appointments service	Offer 5% of all repair appointments outside normal office hours.	1 2 3 4	A, C
TDCKT4	Achieve optimum ratio of emergency/urgent to non-urgent	AST	Sept 2007	Change in the ratio of emergency from urgent repairs	A ratio of 40:60 or better.	1 3 4	A, C
TDCKT5	BV Review Adaptations	AST	Mar 2008	Completed BV Review of complete disabled adaptation process	Reduce length of time to deliver to 30 days while monitoring customer satisfaction	1 2 3 4 5	A, B, C

No.	Key Task	Lead Officer	Target Date	Expected Output	Expected Outcome	Core Values Satisfied	Objectives Satisfied
TDCKT6	Review fuel poverty status for tenants	AST	Mar 2008	Completed review	Keep tenants in fuel poverty to less than 5% of tenant base.	1 4 5	A
TDCKT7	Procure asset management system	AST	Mar 2008	Operational AMS	AMS linked to IHMS	3 4 5	A, B, D
HDCKT1	Value for Money Review of Local Offices	FMcE	Jul 2007	Value for Money Review Report	Annual Efficiency Saving contribution of £20,000 in 2008/09	1 3 4	A, C
HDCKT2	Value for Money Review of Sheltered Housing	FMcE	Oct 2007	Value for Money Review Report	Annual Efficiency Saving contribution of £30,000 in 2008/09	1 3 4	A, C
HDCKT3	Value for Money of Front-line Service Delivery Teams	FMcE	Aug 2007	Value for Money Review Report	Annual Efficiency Saving contribution of £15,000 in 2008/09	1 3 4	A, C
HDCKT4	Option appraise and procure integrated Housing Management System	FMcE	Mar 2008	Procured integrated Housing Management System	Action Plan to implement Housing Management System by March 2009	1 2 3 4 5	D
HDCKT5	Analyse use of service charges	FMcE	Nov 2007	Completed analysis	Proposal for use of service charges identifying contribution to Annual Efficiency Saving of £10,000 in 2008/09		D

No.	Key Task	Lead Officer	Target Date	Expected Output	Expected Outcome	Core Values Satisfied	Objectives Satisfied
BSDCKT1	Review occupational health provision	MP	Mar 2008	Tender OHU provision	Reduce sick absence rates by 5%	1 2 3 4 5	A, B, C, D,
BSDCKT2	Develop training programme for potential Board members	MP	July 2007	Succession plan	10% increase in expression of interest	1 2 3 4 5	A, B, C, D
BSDCKT3	Value for Money of Front-line, Support & Central Cost Proportions	MP	Mar 2008	Value for Money Review	£30K contribution to the Annual Efficiency Statement in 2008/09	1 3 4 5	A, B, C
BSDCKT4	Review payment for Directors of the Board	MP	Dec 2007	Complete review	£2K contribution to the Annual Efficiency Statement in 2008/09	2 3 4	A
BSDCKT5	Mock inspection report	MP	Sept 2007	Production of Gap Analysis report	Action plan to deliver three stars	1 2 3 4 5	A, B, C, D
BSDCKT6	Procurement and implementation of Document Management System	MP	Mar 2008	Procurement of DMS	Contribution to Annual Efficiency Saving of £5,000 in 2008/09	1 2 3 4 5	A, C
CECKT1	Option appraisal and future viability of NSH ref DCLG Review Document	RR	Mar 2008	Completed Option Appraisal	Identifying delivery mechanism for Housing Services post Decent Home Delivery	1 2 3 4 5	D

No.	Key Task	Lead Officer	Target Date	Expected Output	Expected Outcome	Core Values Satisfied	Objectives Satisfied
FDCKT1	Review of printing/stationery to establish Value for Money	SW	Sept 2007	Establish new procedures	Achieve £10K on original budget	1 3 4 5	A, C, D
FDCKT2	Tender External Audit	SW	Nov 2007	Confirm new provider for 2007/08	£3K contribution to the Annual Efficiency Statement in 2008/09	3 4	A, C, D
FDCKT3	Tender insurance	SW	Jan 2008	Confirm insurance provider	£10K reduction in cost	3 4	A, D
FDCKT4	Service Level Agreement Review of Finance	SW	Jun 2007	Completed Review	Confirmation of future service provision arrangements	2 3 4	A, D
FDCKT5	Service Level Agreement Review of Internal Audit	SW	Jun 2007	Completed Review	Confirmation of future service provision arrangements	2 3 4	A, D
FDCKT6	Service Level Agreement Review of IT	SW	Jun 2007	Completed Review	Confirmation of future service provision arrangements	2 3 4	A, D
FDCKT7	Annual Efficiency Saving Forward Looking	SW	April 2007	Quantification of cashable and non cashable efficiency gains projected.	Information to support Value for Money progress within Company	3 4 5	A

No.	Key Task	Lead Officer	Target Date	Expected Output	Expected Outcome	Core Values Satisfied	Objectives Satisfied
FDCKT8	Annual Efficiency Saving Forward Looking	SW	June 2007	Quantification of cashable and non cashable efficiency gains achieved 2006/7.	Information to support Value for Money progress within the Company	3 4 5	A

## Future Corporate Key Tasks

<b>Newark and Sherwood Homes Future Key Tasks to 2010</b>
<b>Key Task</b>
Conduct a Governance Audit or Best Value review of Governance to ensure compliance with 'best practice'
Audit of Human Resources Policies
Implement finance elements of Integrated Housing Software.
Update Finance Regulations
Review the delivery of housing services to ensure that NSH delivers on the Respect Agenda and provides sustainable communities.
Carry out a review of housing services to test whether it represents value for money.
Review the effectiveness of Tenant Participation in Newark and Sherwood Homes.
Implement an integrated IT system, including document management and mobile technology.
Review the existing housing stock to evaluate opportunities to replicate the Vale View model.

## Key Performance Indicators

Performance Indicator	Description	Estimated Outturns 2006-07	Target 2007-08
BVPI 63	Average SAP rating of local authority owned dwellings	73	74
BVPI 66a	% of rent collected	99.25%	99.30%
BVPI 66b	The number of LA tenants with more than seven weeks of gross rent arrears as a percentage of the total number of council tenants	3.30%	3.15%
BVPI 66c	Percentage of LA tenants in arrears who have had NOSP's served	12.00%	12.00%
BVPI 66d	Percentage of LA tenants evicted as a result of rent arrears	0.20%	0.20%
BVPI 74	Tenant satisfaction with overall service	84%	90%
	i) BME tenants	84%	90%
	ii) non BME tenants	86%	90%
BVPI 75	Tenant satisfaction with opportunities for participation and decision making overall	73%	75%
	i) BME tenants	73%	75%
	ii) non BME tenants	73%	75%
BVPI 164	Compliance with CRE code of practice in housing	YES	YES

Performance Indicator	Description	Estimated Outturns 2006-07	Target 2007-08
BVPI 184	a) The proportion of local authority homes which were non decent as at 1 April 2006	43%	29%
	b) The change in proportion of non decent local authority homes between 1 April 2006 and 1 April 2007	6.52%	32.55%
BVPI 212	Average time (days) to relet Council properties	17	16
BS 5	Percentage of telephone calls answered within 10 seconds	93%	94%
TD 4	Percentage of urgent repairs completed within Government time limits	99.7%	99.7%
TD 5	Percentage of priority 1 (E) repairs completed on time	98%	98%
TD 6	Percentage of priority 2 (U) repairs completed on time	94%	99%
TD 7	Percentage of priority 3 (R) repairs completed on time	92%	99%
TD 8	Overall percentage of repairs completed on time	95%	98%
HD 6	Amount of arrears as a percentage of debit	1.40%	1.27%
BS 12	Number of complaints received	110	110
BS 13	Number of comments received	90	90
BS/HR 9	Percentage of employees from minority groups	1.14	2
HD 1	Percentage of tenants represented by Tenants and Residents Associations	75%	80%
BS/HR 4	Average number of days absence due to sickness per employee	14	11.5
CS	Customer satisfaction in all key service areas	95%	95%
FD 9	Section 125 Notice issued on time	87%	100%
FD 11	Average time to issue Section 125 Notices	36	35
FD 13	Average time to respond to Councillor Enquiries	2.5	5
HD 4	Lifeline calls answered within 30 seconds	99.25%	99.50%
HD 8	Amount of Former Tenant Arrears	£185,000	£183,000

**Appendix A**ALMO Inspection **Newark and Sherwood Homes Limited****Recommendations**

To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. In this context, the inspection team makes the following recommendations:

<b><i>Recommendations</i></b>	<b><i>Lead</i></b>	<b><i>Target Date</i></b>	<b><i>Completed</i></b>
<i>R13 Take action to address all other weaknesses identified in the report.  Finance and Corporate Services  Housing Directorate  Human Resources  Technical Directorate</i>	<i>SW  FMcE  MP  AST</i>	<i>Jul 2007</i>	All on target to be completed by July 2007

**Appendix B**

<b>Business Plan Corporate Key Tasks 2006/2007</b>					
<b>Key Task</b>	<b>Lead Officer</b>	<b>Date</b>	<b>Comment/Progress to end of December 2006</b>	<b>Completed</b>	<b>Progress 2007/2008</b>
Market test the in-house responsive repairs service	AST	Nov 2006	Work in progress to identify the criteria for this project.		✓
Identifying a suitable mobile solution for the Company.	AST	Nov 2006	Research well advanced	To be completed by March 2007	
Appoint professional practice partner to assist in delivery and management of contract work	AST	Apr 2006	Consultants engaged – Contract documents being prepared.	Completed	
Re-tender grounds maintenance contract	AST	Dec 2006	Contract and Tender preparation in progress with an estimated start date of mid April 2007.	Completed By March 2007	
Develop Asset Management Plan to relate to NSH's delivery of stock management	AST	July 2006	Evaluation of Asset Management Systems underway.	To be delivered by March 2007	
Undertake a Best Value Review of Participation	FMcE	Jul 2006	Completion date revised to March 2007, scheduled to complete	On going	✓
Market test Tenants Insurance Scheme	FMcE	Oct 2006	Tender review process underway	Completed	
Review NSH procedures and processes and implement changes to maximise contribution to sustainable communities	FMcE	Jul 2006	First review complete		✓

<b>Business Plan Corporate Key Tasks 2006/2007</b>					
<b>Key Task</b>	<b>Lead Officer</b>	<b>Date</b>	<b>Comment/Progress to end of December 2006</b>	<b>Completed</b>	<b>Progress 2007/2008</b>
In consultation with the Traveller community, review accessibility to housing services with NSH	FMcE	Sept 2006		Timescale revised to March 2007	✓
Gain Investors in People Status	MP	Mar 2007	Action plan being revised to achieve IIP Status, assessment date schedule 20/21 March 2007	March 2007	
Implement a Total Quality Management System	MP	Mar 2007	Work progressing on schedule to implement by March and seek accreditation in June/July 2007	March / April 2007	
Formulate and Implement an IS and 'e'-Strategy	MP	July 2006	Strategy completed for Board consideration	To be completed by March 2007	
Undertake an option appraisal to consider the viability of building and or managing solely or in partnership new affordable homes.	RR	Oct 2006	Data to appraise options being collated and considered	Completion of appraisal expected by end of March 2007.	
Undertake an option appraisal of the impact of the possible freedoms and flexibilities for Councils and ALMOs	RR	Oct 2006	This work will progress in a corporate task for 2007/08 as an Option Appraisal and future viability of NSH ref DCLG Review Document		✓
Formulation of Income Management Strategy	SW	June 2006	Draft strategy formulated	To be completed by March 2007	
Formulation of Corporate Debt Policy	SW	June 2006	Draft policy formulated	To be completed by March 2007	

<b>Business Plan Corporate Key Tasks 2006/2007</b>					
<b>Key Task</b>	<b>Lead Officer</b>	<b>Date</b>	<b>Comment/Progress to end of December 2006</b>	<b>Completed</b>	<b>Progress 2007/2008</b>
Undertake appraisal of income available through external grants	SW	Aug 2006	Ongoing assessment required to develop suitable options		✓