

HACKNEY HOMES Ltd
Board Meeting
Monday 9th February 2009 at 6.30pm to 7.55pm
The Chief Executive's Conference Room, 1st Floor,
Christopher Addison House, 72 Wilton Way, Hackney E8 1BJ

Part A Meeting (Open to the Public)

Distributed to:

Hackney Homes Board Members:

Rupert Tyson (Chair)
Alice Burke (Vice Chair)
Marie Photiou (Vice Chair)
Audrey Villas
Asim Bhattacharyya
Jonathan McShane
Feryat Demirci
Samantha Lloyd
David Larkin
Danny Sutcliffe
Linda Kelly
Brian Marsh
Afolasade Bright
Karen Dodds
Terry J Edwards

Hackney Homes Executive Team:

Charlotte Graves (Chief Executive)
Neil Isaac (Director of Finance & Resources)
Gary Penticost (Director of Property Services)
Peter O'Kane (Interim Director of Quality and Strategy)
Robin Smith (Programme Director – Woodberry Down Regeneration)
Neehara Wijeyesekera (Interim Head of Resident Services)
Tom Hunt (Head of Estate Environment)
Judith Morrison (Interim Head of Leasehold and Right to Buy)
John Ferman (Pathmeads)
John Newbury (Mouchel)
Elliot Brooks (Pinnacle)

Hackney Homes Officers:

Sue Poulter
Sunil Desai
Brian Madden
John Newton
Trish Hail
Daniel O'Connell

Stakeholder Representatives:

Karen Alcock
Tim Shields
Fiona Fletcher – Smith
Stephen Tate
Nimisha Patel
Amanda Kelly
Tracey Thomas
Carol Hinvest

In the event that you cannot attend the meeting, please submit your apologies to the Governance Team by 10.00am Friday, 6 February 2009 on 020 8356 3432/2264/4225.

HACKNEY HOMES Ltd Board Meeting 43

Monday 9th February 2009 at 6.30pm to 7.55pm

The Chief Executive's Conference Room
1st Floor, Christopher Addison House
72 Wilton Way, Hackney E8 1BJ

A AGENDA Part A (open to the public)

Item	Presenter	Subject	Pages	Status	Duration	Time
1.	Chair	Welcome/Apologies/ Introductions		Information	2 mins	6.30-6.32
2.	Chair	Declarations of Interests		Information	1 min	6.32-6.33
3.	Chair	Questions received from the public	1-2	Information	2 mins	6.33-6.35
4.	Chair	Minutes of Monday 8th December 2008 (Part A) and Matters Arising	3-10	Decision	5 mins	6.35-6.40
5.	Chair	Hackney Homes' Chair Report		Verbal Report	5 mins	6.40-6.45
6.	S Lloyd	Audit and Finance Committee Meeting 7 th January 2009		Verbal update	5 mins	6.45-6.50
7.	R Campbell	Health & Safety		Verbal Report	5 mins	6.50-6.55
8.	C Graves	Chief Executive's Report - Strategic Overview	11-18	Information	10 mins	6.55-7.05

9.	C Graves & Executive Team	Hackney Homes Performance – Overview	19-26	Information	10 mins	7.05-7.15
10.	N Isaac	Financial Overview and Budget Update		Verbal Report	10 mins	7.15-7.25
11.	T Merrett	Board Training Needs Analysis	27-30	Decision	5 mins	7.25-7.30
12.	T Merrett	Job Descriptions for Board Champions	31-36	Decision	5 mins	7.30-7.35
13.	R Smith	Impact of credit crunch	37-58	Decision	15 mins	7.35-7.50
14.	C Taylor	S106 New Council Procedures	59-67	Information only		
15.	Chair	Any Other Business		Information	5 mins	7.50-7.55
16.	Chair	Next Board Meeting: Monday 16th March 2009 at 6.30pm Christopher Addison House		Information		

PART B AGENDA – (Not Open to the Public)

The following items form part of the Hackney Homes Ltd Board Part B Meeting (NOT open to the public) Agenda:

Minutes of Monday 8th September 2008 (Part B) and Matters Arising

Minutes of Monday 8th December 2008 (Part B) and Matters Arising

Title of Report: Question(s) from the Public	
Decision Making Body Hackney Homes Board	Date: 9 February 2009
Classification: For Response	Report of: Governance Team
Item Previously considered at: N/A	On Which Date: N/A
Report Author: Questions submitted by Paul Heron	Appendices: N/A

Report Outline:

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| <ul style="list-style-type: none"> • Paragraph: 1.0 - Summary of Report; |
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If you have any questions about this report, please contact Tess Merrett on 020 8356 3432 or email tess.merrett@hackneyhomes.org.uk

1.0 SUMMARY

The following questions have been submitted by Mr Paul Heron.

Question 1

Windows for Banister House

Banister House was built in 1935. It is split in two. Half of the estate is called 'Old Banister' and half 'New Banister'

Until 10 years ago the blocks in 'Old Banister' had window frames made of wood but was equipped with central heating. The window frames were rotting. 'New Banister' had double glazing but did not have central heating.

Following a sustained campaign by Banister House TA (including a number of deputations to Hackney Council Housing Development Sub-Committee) demanding central heating for 'New Banister' and double glazing for 'Old Banister' the Council granted a contract for central heating for 'New Banister'. Savings were made on this contract which allowed approximately 50% of 'Old Banister' to be awarded double glazing.

Unfortunately, this has left flats 1 – 44 without double glazing. The windows on these flats have deteriorated further and we are concerned that the tenants have been forgotten.

Promises have been made to ensure that these flats in 'Old Banister' will have their windows replaced. These promises have been made to us in TA and Estate Committees in the past.

Our question to Board is, why have these not been done? Also when will this extremely urgent work be commissioned, started and completed”?

Question 2

Deputations

There are a number of experienced tenant activists in our TA. As mentioned above, we have in the past arranged deputations of tenants to the Housing Development Sub-Committee. This was when Hackney Council acted as both landlord and management of council homes.

We are concerned that this no longer is (seemingly) allowed by the Hackney Homes policies/standing orders. We submit that this restricts the opportunity that Board Members have to hear tenants' issues directly and restricts the opportunity of open and honest dialogue between the parties (Board Members and Tenants).

We further submit that the current policy of only allowing questions not only restricts an open dialogue, but in comparison to the Housing Development Sub-Committee which did allow deputations, actually has left the current system less democratic.

Given the above, we would ask, should the Hackney Homes Board introduce (by amendment to their policies/standing orders) a system that allows deputations from registered TAs?



Hackney Homes Ltd

ITEM 4

Part A minutes of Board of Directors, held at Christopher Addison house, 72 Wilton Way Hackney E8 1BJ

On 8 December 2008 at 6.30PM

Present	Board Members Rupert Tyson (Chair) Alice Burke (Vice Chair) Danny Sutcliffe Terry Edwards Samantha Lloyd (Part) Marie Photiou (Vice Chair) Afolasade Bright (Part) Asim Bhattacharyya Feryat Demirci (Part) Brian Marsh Linda Kelly (Part)	Hackney Homes Officers Charlotte Graves Neil Isaac Gary Penticost Peter O’Kane Sunil Desai Tom Hunt Neehara Wijeyesekera Judith Morrison Robin Smith Brian Madden Clive Taber Tom Hogan (first item) Trade Union Helen Toner Melvin Drayton	Stakeholder Representatives (Hackney Council) Stephen Tate Nimisha Patel Tracey Thomas Housing Partners John Ferman (Pathmeads) John Newbury (Mouchel) Member of the Public Eric Cato Ipsos Mori Sarah Cheesebrough
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	Part A – Open to the Public	Action	Date
1. Welcome/Apologies/ Introductions	Apologies were received from the following: <ul style="list-style-type: none"> • Audrey Villas • Karen Dodds • Jonathan McShane The Board asked that their best wishes be passed to Audrey Villas.		
2. Results of the Ipsos Mori Leaseholder Satisfaction Survey	Sarah Cheeseborough from Ipsos Mori presented the results of the Leaseholder Satisfaction Survey.		

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	<p>The Board asked in what respect Leaseholders were dissatisfied with service charges and if there were any broader statistics in respect of the different client groups within Leaseholders. Sarah Cheesborough said that the data did not provide a further breakdown of the reasons behind dissatisfaction with service charges. However, amongst the Leaseholder client group, the data showed that younger Leaseholders had greater expectations. There was a greater proportion in London of younger Leaseholders and it was important to ensure that like comparisons were made when other organisations' data became available for benchmarking. Tom Hogan said that there was a sub-group within Leaseholders namely tenants of the leaseholders and this group should be taken into consideration.</p> <p>The Board asked if the survey took account of the different types of property e.g. street properties and estate properties. Sarah Cheesborough said it did not. The Board asked if any analysis had been undertaken in respect of satisfaction levels and worklessness and why Leaseholders were not satisfied with Value for Money (VFM). Sarah Cheesborough said that the income chart had identified some of the satisfaction levels differences between work/worklessness and the full report addressed the VFM issues in further detail.</p> <p>The Board noted the presentation.</p>		
<p>3. Declarations of Interests.</p>	<p>Samantha Lloyd, Afolasade Bright and David Larkin declared they were leaseholders. Feryat Demirci declared that her brother worked for Hackney Homes.</p>		
<p>4. Questions from the Public</p>	<p>No questions were received from the public.</p>		
<p>5. Minutes of 10 November 2008 (Part A) and matters Arising</p>	<p><u>Minutes of 10 November 2008 (Part A)</u> The minutes were agreed as a true record and signed accordingly.</p>		

	<p><u>Matters arising from the Hackney Homes Board Meeting Minutes of 10 November 2008</u></p> <p>There were no matters arising.</p>		
<p>6. Hackney Homes' Chair Report</p>	<p>Rupert Tyson said that the Inspection had gone well and we should know the result in the first week of January.</p>		
<p>7. Report back from Committees: a) HHJC 3 December 08</p> <p>b) Human Resources Committee 3 December 2008</p>	<p><u>Hackney Homes Joint Committee</u> Samantha Lloyd, Joint Chair of the Committee, said that there were good information flows which meant that issues were resolved before Committee stage.</p> <p><u>Human Resources Committee</u> Alice Burke, Chair of the Committee said that</p> <ul style="list-style-type: none"> • harmonisation was in progress in Estate Management and half of the Finance recruitment had now been completed. • Hackney Homes had achieved a 3* award in the recent Health & Safety inspection. • sickness levels had improved • A networking initiative between ALMOS – the Interactive Learning Initiatives – would roll out from April 2009. • 87% of appraisals had now been completed. <p>Marie Photiou added that the Care First Scheme would now be extended to Board Members and that HR were going to take liP across Hackney Homes and would be seeking Board approval for the strategy.</p>		
<p>8. Chief Executive's Report</p>	<p>Charlotte Graves said that the Inspection had gone reasonably well and we would receive the result after Christmas.</p>		

	<p>Gas servicing had improved considerably with 99.6% of homes having an in date CP12 gas safety certificate.</p> <p>The RTB cases were continuing to reduce and as a result the team would be restructured.</p> <p>Neil Isaac said that the complaints process had improved with 85% of Stage 1 and 89% of Stage 2 complaints being dealt with within targets.</p> <p>Marie Photiou asked if there were adequate emergency arrangements in place over the holiday period. Charlotte Graves confirmed that there were robust arrangements in place across all services.</p> <p>The Board noted the Chief Executive's Report</p>		
<p>9. Wenlock Barn TMO</p>	<p>Clive Taber introduced the report and set out the background. A Cabinet report was being prepared in respect of the office accommodation options. The recommendations contained in this report were to be amended so that the Board commended the recommendations to Hackney Council.</p> <p>The Board was concerned that the office accommodation had not yet been resolved and that Hackney Homes could set a precedent if we agreed to meet the rental cost for this. It was suggested that Hackney Homes integrate the use of the Community Halls into Tenant Participation Services and Estate Services. By doing so, more use could be made of the Community Halls and in the case of Wenlock Barn TMO could provide office accommodation.</p> <p>The Board also asked if there was a team in place to monitor the repairs service. Clive Taber confirmed that there was a team in place.</p> <p>The Board asked if there was any legal obligation to fund the TMO. Clive Taber said there was but that the obligation rested with Hackney Council. The Board asked that</p>		



Hackney Homes Ltd

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On 8 December 2008 at 6.30PM

	<p>if the TMO were to share the Shoreditch Neighbourhood Office, would it contribute to the running costs. Clive Taber said that Hackney Homes would seek any shared costs from the allowances provided by Hackney Council.</p> <p>The Board asked that any further likely costs be clarified which included any incidental services provided by Hackney Homes.</p> <p>The Board noted</p> <ul style="list-style-type: none"> that Wenlock Barn TMO would take over responsibility for the additional functions of rent arrears recovery and reactive repairs as set out in the management agreement. <p>Commended</p> <ul style="list-style-type: none"> the virement of £56,400 from the Shoreditch housing management contract (Pinnacle) and £478,000 from Property Services to the TMO. This is the annual budget allocation, therefore proportioned for the remainder of the financial year. <p>Agreed</p> <ul style="list-style-type: none"> that Hackney Homes undertake an options appraisal regarding the location of the TMO's new office and report back further. 	<p>C Taber</p>	<p><i>Tbc</i></p>
<p>10 Key Delivery Plan Priorities 2009-10</p>	<p>Officers apologised that the report had been circulated late in the preceding week.</p> <p>Peter O'Kane outlined the context including the revised Sustainable Community Strategy recently adopted by the Council. The Delivery Plan had to be agreed with the Council. Hackney Homes' performance would be assessed on the basis of commitments in the Delivery Plan when the outcome came to be reviewed in 2011.</p> <p>The Board was asked to comment on the proposed Key Service Improvements for</p>		

	<p>2009/10 set out in paragraph 10.</p> <p>The Board asked how officers proposed to deliver Service Improvement (8) Appendix III “Enabling residents in workless households to get work”. Peter O’Kane said that the service area was currently being delivered for Hackney Homes residents through our Partners. Tackling worklessness was a priority in the Council’s Sustainable Community Strategy. The Board expressed concern that Hackney Homes was being asked to undertake non-core functions at a time of limited resources.</p> <p>Peter O’Kane said that the proposals as amended were to form the basis of a discussion with the Council. The item would be taken to the Resident Liaison Group in January. A draft final version of the Plan would be presented to Board in March.</p> <p>The Board noted that the paragraph numbering on the hard copy paper tabled was incorrect. A correctly numbered version would be re-sent electronically asking for comments back about the proposals.</p> <p>The Board noted the report and the process. The Board agreed to provide comments back to Peter O’Kane by Thursday 11 December.</p>		
<p>11. Financial Overview and Budget Update.</p>	<p>Neil Isaac introduced the report and highlighted the following:</p> <p><u>Energy Price Issue</u> It was unlikely that mid-year increases in charges would take place and the issue would be addressed in next year’s budget.</p> <p><u>Rent Debit</u> There had been a drop in the number of rented homes.</p> <p><u>Repairs Budget</u> There was a full report in Part B of this meeting.</p>		



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	<p><u>2009/10 Budget</u> Neil Isaac said that the savings target in the management fee and delegated budgets had been debated at length at two Audit & Finance Committees.</p> <p><u>Management Fee Budget.</u> Owing to a reduction in the RPI of £400k, this, taken together with the savings of £800k identified in the A&F Committee of 3 November meant that no further savings needed to be found.</p> <p><u>Delegated Budget</u> The A&F Committee had identified savings of £1.3m at its meeting in November and since that meeting there had been an increase in income for voids allowance of £1.2m which taken with the previously identified savings meant that no further savings needed to be found.</p> <p>The Board asked officers to ensure that the measures which the Audit & Finance Committee had agreed in November actually met the required savings in order to prevent any future surprises.</p> <p>The Board noted the report.</p>		
12. Decent Homes Update	The Board noted the report.		
13. Any Other Business	Terry Edwards said that Frampton Park Estate had won a major award for its bike lockers.		
16	<p>Part A of the meeting closed at 8.15 pm.</p> <p>Date of next Board Meeting: Monday 12 January at 6.30 pm Christopher Addison House</p>		



Hackney Homes Ltd

Part A minutes of Board of Directors, held at Christopher Addison house, 72 Wilton Way Hackney E8 1BJ

On 8 December 2008 at 6.30PM

ITEM 4

Signed as a true record of this meeting _____ Chair Dated _____

Title of Report: Chief Executive's Report – Strategic Overview	
Decision Making Body: Hackney Homes Board	Date: 9th February 2009
Classification: FOR INFORMATION	Report of: Chief Executive – Charlotte Graves
Item Previously considered at: This is a standing monthly item	On Which Date: N/A
Report Author: - Charlotte Graves, Chief Executive	Appendices: Appendix 1 – Woodberry Down Update Report

Report Outline:

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| <ul style="list-style-type: none"> • Paragraph: 1.0 - Summary of Report • Paragraph: 2.0 - Recommendation to the Board • Paragraph: 3.0 - Background • Paragraph: 4.0 - Finance & Resources • Paragraph: 5.0 - Inspection Update • Paragraph: 6.0 - Property Services • Paragraph: 7.0 - Estate Environment • Paragraph: 8.0 - Resident Services • Paragraph: 9.0 - Leasehold Services • Paragraph: 10.0 - Woodberry Down Update |
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If you have any questions about this report, please contact Charlotte Graves on 0208 356 3671 or email charlotte.graves@hackneyhomes.org.uk

1.0 SUMMARY OF REPORT

- 1.1** The purpose of this report is to ensure that the Board have an overview of activity, performance and strategic issues at Hackney Homes.

2.0 RECOMMENDATION

- 2.1** The Board is asked to note the contents of this report.

3.0 BACKGROUND

- 3.1** This is my regular report providing an update on key issues affecting Hackney Homes.

4.0 FINANCE & RESOURCES

- 4.1** Audit and Finance Committee on 2nd February will consider the December budget monitoring report. This identifies a small underspend of £30k on the management fee budget and an overspend of £2.7m on the delegated budgets. This is broadly in line with last month's monitor and is due to energy costs and variations on the rent debit as previously reported. The Repairs and Maintenance budgets continue to be monitored closely however are still pressures on the reactive and communal areas repairs spend which may lead to an overspend of approximately £500k.

- 4.2** The Council's cabinet approved on Monday 26th January 2008 to increase HRA dwelling and hostel rents on average by 6.20%; increase the energy charge to tenants to recover the higher energy costs incurred by the Council; increase service charges by 5.5% and increase fees and charges in line with inflation increases.

- 4.3** Hackney Homes and the Council's Neighbourhood & Regeneration Department will be planning the details of next years Capital programme following the announcement of the award of the ALMO credits.

5.0 INSPECTION UPDATE

- 5.1** The Audit Commission met with the Chief Executive and Executive Team as part of the round table meeting on Thursday January 29th. The purpose of the meeting was to agree the detail within the final report, to ensure a common understanding about the main recommendations, to finalise the release of the result, and lastly to talk about the future inspection regime for Hackney Homes. The meeting went well and Lead Inspector for Housing, Adrian Brown, has offered quarterly meetings with Charlotte Graves to assist Hackney Homes in its improvement planning. The Commission also confirmed that Hackney Homes will be subject to a re-inspection in approximately 3 years

- 5.2** The Audit Commission will be releasing the result on Thursday 5th February. Staff will be informed on the morning of the 5th, a press release will be sent to local press from Hackney Homes and Hackney Council and all stakeholders including councillors, MPs and contractors will be informed of the result officially by letter.

5.3 The Executive Team are holding an away day in early February to develop an action plan for addressing both the main recommendations and the other recommendations in the inspection report. This work will complement service planning which will be taking place during February and March.

6.0 PROPERTY SERVICES

6.1 Repairs and Maintenance

The ongoing improvements to the Building Maintenance section continue to progress well.

Since my last report to you, work is being completed on strengthening our financial information and improving financial forecasting. Work continues on our approach to Customer Care and what we can learn from resident's comments. The joint meeting which pulls together all the strands of information we receive from our customers includes:

- 200 telephone call-backs which the Call Centre make on completed repairs
- The report from the Technical Audit Team which completes approximately 250 post inspections
- A review of the 250 Customer Care Cards we receive

This is confirming an ongoing improved service delivery, which was reflected in the recent MORI Status survey.

6.2 On Monday 2nd and Tuesday 3rd February, Hackney saw the biggest snowfall for nearly 20 years. The organisation has responded admirably to the task of protecting our residents and ensuring their safety and comfort. Property Services played a huge part in this success and operatives who braved the wintry conditions to get into work, then had to drive in treacherous road conditions to get to many of the Estates off the main routes. Our operatives did a magnificent job in restoring heating, repairing burst pipes where necessary.

6.3 The September to December monthly reports on Post-Inspection of repairs continue to confirm an ongoing improvement compared to the same month last year, this together with a more robust follow-up process addresses any problems relating to quality of the repairs service. The service also includes voids.

6.4 As part of the preparation for the 2009/10 budgets, a half yearly reconciliation of the Organisational Establishment Lists between HR, Payroll and the Budget has been completed and this has proved extremely beneficial for budgetary monitoring and resource planning.

6.4 The strategic alliance we have entered into with Morrison's and Crispin & Borst is beginning to bed in. The contract has been in existence for four months and despite some initial teething troubles, the benefits are steadily materialising. We are currently reviewing our material costs and in the spirit of partnership working, we are currently involved in a major comparison with our respective material costs from our suppliers.

- 6.5** Transport had a successful outcome on the annual internal audit on Fleet Management. We are currently in discussion with Hackney Council in reviewing our fleet needs and the Service Level Agreement for 2009/10.
- 6.6** The alterations to Broadway Depot have now been completed and this has allowed the technical and client based staff to finally merge into one office location, with the workforce working predominantly from Florfield Depot.
- 6.7** The division has been in discussion with Hackney Community College recently, resulting in the creation of an in-house management course which is tailored to our business and organisational needs. We have seven staff across many departments of Property Services enrolled on the first course which will start next month.

6.8 Decent Homes

Consultation and preparation for the 2009/10 programme is well advanced and we plan to place around £20m worth of orders as soon as the budget is confirmed.

6.9 Procurement

Expressions of interest from potential contractors are starting to arrive following an invitation in the European Journal (the Decent Homes contracts expire in 2010).

6.10 Asset Management System (Codeman)

The system has produced a 30 year Asset Management Plan which the council published as part of the January 2009 MTPF. The system will be integrated with Universal Housing towards the end of 2009.

7.0 ESTATE ENVIRONMENT

- 7.1** Harmonisation of ISS, Pinnacle and Wettons staff is progressing as planned. All staff on the external providers terms and conditions have now been harmonised with Hackney Homes terms and conditions and their pay revised accordingly.

Management are now negotiating with Trades Unions the harmonisation of those staff currently on the "old" Hackney Council terms and conditions.

- 7.2** The Estate Environment restructure continues with the imminent advertising of posts of Service Manager for both Estate Cleaning and Grounds Maintenance. Management are working closely with Trades Unions on all proposals.

- 7.3** Estate Environment working closely with Waste Management on

- Developing local recycling and waste collection strategies for each estate
- The Councils' Regeneration inspection
- ENCAMS inspection of the Street Environment.

8.0 RESIDENT SERVICES

8.1 The London Fire Brigade had commissioned the development, of a DVD, to promote the removal of metal gates over residential front doors. The Borough Fire Commander for Hackney, oversaw the project for the London Fire Brigade and commissioned and paid Hackney College to produce the DVD. College students, on the Colleges Media Course, were tasked with the project and to use the final DVD as part of their outcome project for their degree course. Hackney Homes Resident Services were approached to provide a suitable filming location, Clapton Common was selected for the filming scenes. The filming took place on the 23rd January and was assisted by staff from Resident Services, Hackney Homes Regeneration Team, Estate Safety and North East Neighbourhood.

8.2 Hackney Homes are bringing back into use, 33 long term void properties on the Colville Estate, as the Regeneration proposals of the estate have now stalled; any future regeneration proposals are unlikely to come to fruition for at least 7 years. The funding for bringing these properties back into use is £176,000; individual property costs, ranging from £2,000 to £17,000. This project is being totally funded by Hackney Council.

All tenancies will be on a permanent basis, except those voids in Harwood Court, as this tower block is scheduled to be the “kick start” site for development of new homes. A similar project is being assessed for 5 long term void properties in Bridge House & Marion Court on Homerton High Street.

8.3 Completion of transfer to Wenlock Barn TMO to take responsibility for providing day to day repairs and rent arrears recovery from 15 December 2008

8.4 3 new TRAs established at Regents Court, High Hill and Morris Blitz estates

8.5 **TSA National Conference** – 10 places secured for Hackney residents at the London event and a separate local Hackney event organised

8.6 Christmas Prize Draw for rent payment led to an increase in payments of £138,000 over the Christmas period.

8.7 Successful rent increase consultation – over 2000 responses – majority supported 6.2% increase maintaining current service levels

8.8 Information sent out to residents on service charges and fuel charges for those on District heating systems

9.0 LEASEHOLD SERVICES

9.1 Leaseholder service charge collection continues and collection is on average £699,000 per month. However, the Board should be aware that collection has reduced in recent months and there is a possibility that the target may not be achieved at year end. To address this problem we have moved additional resources from other Teams in LRS to contact those leaseholders with arrears and potential repayment problems. Work continues on preparing the

service charge estimates for 2009/10 and these are on schedule to be sent on time for April

- 9.2 Major work invoicing continues and the current invoicing total for 08/09 is £5M. This should ensure that the target of 6.2M will be met. However, we are not on course to achieve target for collection of invoiced sums i.e. 5.2M. The average monthly sum collected to the end of December 2008 was £405,000. This needs to increase to £520,000 per month for the three remaining months for collection target to be achieved.
- 9.3 Following the decision of Cabinet to give leaseholders on regeneration estates the option of having a charge placed on their property if the invoiced in above a certain amount, the Major Works Team has began serving Section 20 Notices to all affecting leaseholders. The Team plans to serve over 300 Section 20 Notices to regeneration estates by the end of January.
- 9.4 The restructure of the RTB Team continues and will be in place by the 30th April 2009. This restructure is necessary due to the continuing low level of RTB applications over the last year. Management is working closely with the 3 staff affected and Human Resources.

10.0 WOODBERRY DOWN UPDATE

- 10.1 Attached to this report (Appendix 1) is a Woodberry Down Update report.

CHARLOTTE GRAVES
CHIEF EXECUTIVE
HACKNEY HOMES

WOODBERRY DOWN – POSITION UPDATE

PHASES 2-5 UPDATE

Both RSLs submitted Final Proposals on 22nd January 2009, and evaluations have commenced. Selection of a Preferred Bidder is expected to be decided around mid-February. In preparation for this, delegated authority is being sought from the Council's Cabinet Procurement Committee on 10th February for the Council's Director of Neighbourhoods & Regeneration to have the authority to award Preferred Bidder status for the successful RSL.

Once the Preferred RSL has been selected they will join the Council and Hackney Homes in joint Competitive Dialogues with the developers. The appointment of the developer and therefore the composition of the consortium are scheduled to be approved by Cabinet in May/June 2009.

OLD SCHOOL SITE

A revised Principal Development Agreement is expected to be agreed between Berkeley and the Council at Cabinet on 2nd March. This means:

- Berkeley to be on site, building the affordable units from 3rd March under the original consent with funding from the Homes & Communities Agency
- Berkeley to submit a revised planning application in February, switching to the revised consent in the summer.

ACCREDITATION

We have established that neither the Council nor Hackney Homes is accredited as a Housing Partner or a Housing Manager with the Homes & Communities Agency and the Tenant Service Authority. This has affected the ability to bid for grant funding for the Old School Site, and we have therefore worked through Berkeley (who are accredited as a Housing Partner) to access funding from the Homes & Communities Agency.

To enable flexibility for the future, a report for the Board and for the Council is being prepared to authorise the necessary applications. ALMOs require two stars from the Audit Commission to be considered for accreditation.

PHASE 3 – 5 INTERIM REPAIRS

The specification for the interim repairs works for phases 3 – 5 has been completed and the procedure around the mini-competition with the decent homes framework contractors finalised. A building contractor will be selected shortly, with a view to starting on site as soon as the Council agrees the funding for 2009/10.

REVIEW EXISTING LEASEHOLD OFFERS

The team have been asked to review the Council's support for leaseholders in all Council regeneration estates. The report was agreed at the January Cabinet meeting, and includes:

- New policies to support leaseholders subject to Section 20 Notices;
- Possible improvement in Vulnerable Leaseholder Policies including developing a new criteria for prioritising which leaseholders will get support – such as financial, disability, domestic and social issues. The proposals are subject to consultation with Leaseholder representatives.

CONSULTATION

Site Visits

A site visit to LB Barking and Dagenham is being organised for the Woodco Executive and local Councillors. This fact finding event will enable attendees to understand how other important regeneration schemes are being delivered in London. This will focus on social rented and intermediate homes, community facilities and public realm.

Skidders Ground Breaking Day

The Skidders Academy Ground Breaking Day takes places on Wednesday the 4th of February on the site of the new school. The purpose of this event is to celebrate the commencement of the construction of the Academy. Over 100 local stakeholders have been invited and are expected to attend. The Ceremony will include speeches by key figures involved in the process. Mayor Pipe will cut the turf and Skidders School Steel Band will play at the ceremony. A Joint Press Release by LBH, TLT and Hackney Homes will be sent out after the event.

Newsletter

The February newsletter has been delivered to all residents and stakeholders the key theme is the Skidders Academy Ground Breaking Day. .

Key Dates for 2009

The key events for 2009 are now booked and confirmed dates supplied for info.

Priority Repairs Consultation	10 th and 11 th February 2009
Woodberry Down Roadshow	14 th - 23 rd of April 2009
Woodberry Works Graduation Ceremony	13 th May 2009
Woodberry Down Funday	11 th July 2009
Future of London Conference	1 st October 2009
Woodberry Down Community Feast	2 nd December 2009

Principles and Purposes Document

The Woodberry Down Principles and Purpose document is currently being updated and refreshed in light of changes to strategy and to capture new information. The document will be launched at the CIH Conference in Harrogate in June. A first draft of the document will be circulated in the next couple of weeks.

Title of Report: <i>Business Critical Performance Summary December 2008</i>	
Decision Making Body: <i>Hackney Homes Board</i>	Date: 9 th February 2009
Classification: <i>FOR INFORMATION</i>	Report of: <i>Director of Finance & Resources- Neil Isaac</i>
Item Previously considered at: <i>Not Applicable, though full Performance Report is circulated regularly to Board Members</i>	On Which Date: <i>N/A</i>
Report Author: - <i>Alex Jarosy Extension 4001</i>	Appendices: <i>Hackney Homes Performance Summary</i>

If you have any questions about this report, please contact Alex Jarosy on 0208 356 4001 or e-mail to Alex.Jarosy@Hackneyhomes.org.uk

1.0 SUMMARY

1.1 This Report shows the snapshot for December and Quarter Three Performance through the agreed Business Critical Indicators.

2 RECOMMENDATION(S)

2.1 Board Members are requested to:

- i) Note the progress against agreed targets
- ii) Highlight areas of particular concern
- ii) Request clarification on specific service areas.

3 BACKGROUND

- 3.1** The current Hackney Homes Performance Report is circulated to Board Members on a regular basis and contains over 200 indicators. A summary of the December performance is attached against what are agreed to be Business Critical Indicators covering core areas of activity.
- 3.2** For the month of December, of the 22 core indicators for which data is available, performance is either on target or expected to hit the annual target by the end of the financial year in 15 service areas. In 7 service areas, performance is not likely to recover sufficiently to meet the annual target. The Schedule of Business Critical Indicators for December / Year to Date Performance is attached to this Report and the key service delivery performance issues are summarised below.

4. RENTS AND SERVICE CHARGES

- 4.1** Whilst the target for collection (LKPI 47c) is showing as amber with an outturn of 99.80 %, the overall value of arrears is for December £ 4.95 million which despite being a significant reduction from the start of year figure of £ 5.29 million is a little short of what is necessary to meet the end of year target of £ 4.34 million. In particular, there has been a small rise in arrears during December during the Christmas period, though the current overall arrears level (January) is now reduced to £ 4.92 million. Additionally, it should be noted that the rise in arrears during December was not as significant this year as it had been last year and with regards the all important BVPI 66a which measures the collection of both current rent and historical arrears, the target has already been met with a year to date outturn of 98.59%.

With regards actions being taken by Neighbourhood Offices, there has been an overall decline in the service of Notices Seeking Possession and this will be addressed with Hackney Homes' housing management partners (Pinnacle, Mouchel Parkman and Pathmeads). Amongst the positive messages on rent arrears however is the overall reduction in the number of tenants owing in excess of £ 1,000 with a 17% reduction in the numbers of cases in the £ 5K to £ 10K band since the start of the financial year.

- 4.2.** Service Charge collection at £ £ 6.25 million remains slightly behind the annual target £ 9.00 million and in December there was a slight reduction in the collection rate from 95% to 92.55%. This was undoubtedly attributable in part to the Christmas period and additional compensatory recovery action is now being implemented to rectify the shortfall.

5. VOID PROPERTIES

- 5.1** Whilst the Hackney Homes performance on re letting empty homes has declined between November and December 2008, the year to date outturn remains well within the 25 day target at 23 days. Part of the poor performance was due to the Christmas closedown period which had an effect on our contractors, the Direct Labour Organisation and the Council's Choice Based Letting Scheme.
- 5.2.** Performance of Tenant Management Organisations in this area is a cause for concern at 32 days for December, though this is an improved performance from November 2008. The TMO Regulation Team will be addressing these issues urgently.

6. PROPERTY SERVICES

- 6.1** Following the recent review of repairs performance data and revised methodology for analysing this service area, performance is beginning to improve once more with urgent repairs completed on time at 93.40% and repair appointments at 92.98 %.
- 6.2** With regards the Repairs Call Centre, resident satisfaction remains high at 98.15 % with resident satisfaction with the quality of work reaching 97.54% Whilst this is based on customer call back telephone surveys, the results do echo the findings of the Mori Survey which identified growing satisfaction levels with the repairs service in general.
- 6.3** Key challenges remain in the area of emergency and immediate repairs with Property Services Managers now addressing the shortfall in performance for November and December. Performance however does remain at over 90% of job tickets in this category being completed within either the 2 hour or 24 hour period.

7. ESTATE ENVIRONMENT

- 7.1** Performance for estate cleaning continues to improve with a year to date 96.17 % pass rate for inspections carried out. This means that the annual target of 93% has effectively been exceeded.

8. DECENT HOMES

- 8.1** The Decent Homes Programme is largely dependent on the announcement by the Audit Commission of the recent Inspection. Despite this however, the current programme has increased levels of decency by 312 homes against the annual target of 400 homes with expenditure so far of just in excess of £ 16 million.

9. COMPLAINTS

- 9.1. Performance on responses to Stage One Complaints is at 92.63% and this has been steadily rising since September 2008, though the year to date target of 97% is unlikely to be met. Analysis is currently being carried out in conjunction with the Council to improve the quality of responses so as to prevent escalation to Stage 2 of the Complaints Procedure. Performance on responses to Members Enquiries has slipped for December in a number of areas and the Corporate Complaints Team will be addressing the reasons for this with the Service Units concerned.

10 OTHER CORPORATE INDICATORS

- 10.1 Performance on staff absence is currently a cause for concern, with staff absence having increased from November of this year. Managers are now being monitored closely so as to ensure that the appropriate action is being taken against staff with unacceptably high or repetitive absence records.

11 IMPACT UPON THE HACKNEY HOMES BUSINESS PLAN

- 11.1 The Business Critical Indicators are set out in the Hackney Business Plan.

12 IMPACT UPON THE HACKNEY HOMES RISK REGISTER

N/A

13 THE HACKNEY HOMES EQUALITY & DIVERSITY STRATEGY 2006 / ACTION PLAN 2007 – 2010

- 13.1 The performance indicators measure the efficacy of services delivered to service users with a high number of BME, women headed household and persons who may be vulnerable or facing disadvantage.

14 CONSULTATION PROCESS & FINDINGS

- 14.1 The full Performance Report is circulated to Board Members, Lead Councillors, Tenants and Residents Groups and placed on the Hackney Homes Website.

15 ICT IMPLICATIONS

N/A

16 HUMAN RESOURCES IMPLICATIONS

N/A

17 FINANCIAL IMPLICATIONS

17.1 A number of the indicators measure income collection. These include rents and Service Charges, though performance across the Board will have a bearing on the overall achievement of value for money

18 LEGAL IMPLICATIONS / ADVICE

N/A

19 OTHER RELATED DECISIONS / GUIDANCE

N/A

HACKNEY HOMES PERFORMANCE SUMMARY - Business Critical PI's																			
KEY	PERFORMANCE AGAINST ANNUAL TARGET 2008/09														DATA MONTH		FORECAST	EOY 07/08	Frequency of reporting
	ON COURSE TO ACHIEVE OR EXCEED TARGET														DEC	YTD			
BELOW TARGET BUT LIKELY TO RECOVER														DEC			YTD	TARGET	Perf Against Annual Target (PAAT)
BELOW TARGET AND UNLIKELY TO RECOVER TO ACHIEVE TARGET															DEC	YTD			
		DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC			YTD	TARGET	Perf Against Annual Target (PAAT)
RENT COLLECTION & ARREARS	LKPI 48 Total Value of Rent Arrears (YTD - £M)	£6.07 M	£5.76 M	£5.61 M	£5.29 M	£5.30 M	£5.37 M	£5.34 M	£5.14 M	£5.26 M	£4.96 M	£5.00 M	£4.92 M	£4.95 M	£4.95 M	£4.34 M	△	£5.29 M	M
	LKPI 47c YTD Total Collection as % of Rent Debit	100.15%	100.41%	100.47%	100.67%	99.03%	98.68%	99.02%	99.69%	99.43%	99.89%	99.74%	99.83%	99.80%	99.80%	100.91%	△	100.67%	M
BVPI RENT COLLECTION INDICATORS	Ex-BVPI 66a YTD Total Collection as % of Rent+arrears brought forward from previous years	97.61%	N/A	N/A	98.13%	N/A	N/A	98.30%	N/A	N/A	98.51%	N/A	N/A	98.59%	98.59%	98.20%	△	98.13%	Q
FORMER TENANT ARREARS	LKPI 56 Cash Collected as % of debt (gross arrears EOY Target)	7.21%	N/A	N/A	12.85%	N/A	N/A	2.74%	N/A	N/A	6.09%	N/A	N/A	8.75%	8.75%	10.00%	△	12.85%	Q
TENANCY MANAGEMENT & AUDITS	LKPI 34 YTD Relettable Voids as % of Stock	0.89%	0.83%	0.86%	0.89%	0.67%	0.60%	0.57%	0.67%	0.55%	0.66%	0.67%	0.72%	0.84%	0.84%	0.90%	△	0.89%	M
EMPTY PROPERTY MANAGEMENT	Ex-BVPI 212 Average re-let time	21	25	27	17	18	29	24	19	21	20	19	23	29	23	25	△	21	M
	LKPI 67 Percentage of new tenants satisfied with property	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	74.10%	N/A	N/A	NP	74.10%	77.00%	△	N/A	Q
REPAIRS	APPOINTMENTS LKPI 06 % of Responsive Repairs Appointments Kept	96.03%	94.95%	97.23%	95.23%	94.70%	90.89%	91.01%	90.93%	90.29%	92.96%	93.92%	95.15%	95.86%	92.98%	99.00%	△	96.01%	M
	IMMEDIATE + EMERGENCY LKPI 02 (GNPI 18) % of Immediate & Emergency Repairs jobs completed within target (2 - 24 hours)	86.81%	88.26%	89.41%	89.05%	93.89%	93.68%	91.78%	90.22%	91.45%	90.39%	91.75%	85.90%	85.41%	90.67%	97.00%	△	92.02%	M
	MAJOR ADAPTATIONS LKPI 70: Percentage of MAJOR Adaptations completed in 30 weeks (referral - job done)	n/a	88.89%	57.14%	76.92%	66.67%	75.61%	85.19%	68.75%	68.75%	71.43%	80.65%	63.89%	75.00%	74.11%	90.00%	△	62.75%	M
	SATISFACTION LKPI 12 Resident Satisfaction with Repairs Call Centre	97.73%	98.29%	100.00%	98.80%	100.00%	97.80%	98.32%	96.84%	NP	98.43%	95.05%	100.00%	99.73%	98.15%	99.00%	△	98.99%	M
	LKPI 11 Resident Satisfaction with quality of work	98.48%	98.29%	99.11%	96.35%	100.00%	100.00%	97.21%	97.89%	NP	97.64%	96.53%	98.47%	96.00%	97.54%	98.80%	△	98.51%	M
CLEANING	LKPI 7A Total % of Inspections (% Pass)	94.80%	94.80%	94.20%	94.50%	94.76%	94.80%	94.10%	94.80%	94.90%	94.80%	95.40%	94.70%	94.80%	94.80%	93.00%	△	92.85%	M
GROUNDS MAINTENANCE	LKPI 8A Total % of Inspections (% Pass)	93.80%	93.60%	97.90%	99.20%	97.80%	96.50%	95.80%	92.40%	94.90%	94.60%	97.10%	97.40%	98.30%	96.17%	93.00%	△	94.94%	M
LEASEHOLD & RIGHT TO BUY SERVICES	LKPI 14 Service Charge Collection Cumulative YTD (£)	£6.57 M	£7.36 M	£8.09 M	£8.66 M	£0.76 M	£1.57 M	£2.26 M	£2.92 M	£3.54 M	£4.23 M	£4.97 M	£5.70 M	£6.25 M	£6.25 M	£9.00 M	△	£8.66 M	M
COMPLAINTS	LKPI 25a % of Formal Stage 1 Complaint Responses completed within target time	91.11%	96.15%	90.24%	92.59%	91.45%	85.85%	84.69%	85.71%	87.14%	78.10%	85.23%	92.00%	92.63%	87.80%	97.00%	△	94.74%	M
	LKPI 25c Total Number of Stage one complaints	73	134	89	107	117	92	100	82	87	91	110	100	87	866	N/A	N/A	1172	M
	LKPI 23 Members Enquiries	70.69%	100.00%	73.47%	82.69%	90.00%	69.81%	72.31%	80.25%	85.71%	83.33%	82.14%	88.64%	70.97%	79.92%	92.00%	△	94.66%	M
	LKPI 72 No. of Ombudsman Complaints	3	4	7	3	6	3	4	3	7	2	2	3	2	32	36	△	41	M
HUMAN RESOURCES	Ex-BVPI 12 No. of days lost to sickness	0.93	1.08	0.98	0.65	0.71	0.71	0.68	0.88	0.87	1.00	1.08	0.83	0.89	10.21	8.40	△	10.31	M
INVOICE PAYMENTS	Ex-BVPI 08 Monthly % of undisputed invoices paid on time (30 calendar days)(Ind LBH non-delegated)	89.11%	84.15%	94.37%	94.52%	84.33%	82.70%	88.74%	79.58%	77.82%	78.92%	83.47%	83.30%	85.56%	82.33%	87.00%	△	88.55%	M
ASB	LKPI 61A Tenant Satisfaction with response to ASB	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	37.37%	N/A	N/A	NP	37.37%	TBC	N/A	N/A	Q
PROPERTY SERVICES Moving towards Decent Homes	NI 158 (Formerly BV 184a) Proportion of homes non-decent - current FY	35.31%	N/A	N/A	35.16%	N/A	N/A	33.19%	N/A	N/A	32.51%	N/A	N/A	32.37%	32.37%	34.00%	△	35.16%	Q
	LKPI 77 (KOI 1) Total number of homes made decent in period	163	N/A	N/A	35	N/A	N/A	121	N/A	N/A	159	N/A	N/A	32	312	400	△	484	Q

Title of Report: BOARD MEMBER TRAINING NEEDS ANALYSIS	
Decision Making Body: Hackney Homes Board	Date: Monday 9 February 2009
Classification: For Approval	Report of: Tess Merrett Governance Manager
Item Previously Considered at N/A	On Which Date: N/A
Report Author: Tess Merrett Ext 3432	Appendices: None

Report Outline:

- Paragraph: 1.0 - Summary of Report;
- Paragraph: 2.0 - Recommendation(s) to the Board;
- Paragraph: 3.0 – Background;
- Paragraph: 4.0 – Main body of report
- Paragraph: 5.0 - Impact Upon The Hackney Homes Business Plan;
- Paragraph: 6.0 - Impact Upon The Hackney Homes Risk Register;
- Paragraph: 7.0 - Consideration of the Hackney Homes Equality & Diversity Strategy 2006 and Action Plan 2007 - 2010;
- Paragraph: 8.0 - Consultation Process & Findings;
- Paragraph: 9.0 - ICT Implications;
- Paragraph: 10.0 - Human Resources Implications;
- Paragraph: 11.0 – Financial Implications;
- Paragraph: 12.0 - Legal Implications / Advice;
- Paragraph: 13.0 - Other Related Decisions / Guidance.

If you have any questions about this report, please contact Tess Merrett on 020 8356 3432 or email tess.merrett@hackneyhomes.org.uk

1.0 SUMMARY

1.1 As part of the Board Appraisal process, Board Members identified areas for personal training and development which would enhance the collective effectiveness of the Board and this report sets out the consequent Training Needs Analysis (TNA). The Analysis sets out all the training needs identified from the appraisals and then groups them into three distinct categories. If the

analysis is approved, the Governance Team will draw up a Board training plan to address these needs over the next six to twelve months.

2.0 RECOMMENDATIONS

2.1 That the Board approves the Training Needs Analysis.

2.2 The Board agrees the frequency of Board training and the timings of training sessions

2.3 Is there any further training the Board would like to see included in a training programme.

3.0 BACKGROUND

3.1 Over the last twelve months, Board Members have received training in a variety of corporate areas such as Equality & Diversity, Governance and Health & Safety. This rolling programme will continue. However, to enhance further the Board's effectiveness, as part of the 180 degree appraisal process which Board Members undertook earlier in the year, Members were asked to identify personal development and training needs which could then inform a Board training plan. The training identified is set out in the main body of the report and other than two discrete areas identified, Board Members will note some recurring themes and these have been further distilled into three distinct categories.

MAIN BODY OF THE REPORT

3.2 Training Needs Identified

<u>Area</u>	<u>Theme</u>
Strategic/Operational Management	<ul style="list-style-type: none"> Your role as a Board Member
Working Together	<ul style="list-style-type: none"> Building stronger relationships Openness and transparency Valuing others' opinions and perspectives Improving listening skills Encouraging contributions Awaydays
Challenge & Scrutiny	<ul style="list-style-type: none"> Challenging respectfully Responding to challenge non-defensively Improving listening skills Persistence in challenging
Board responsibilities and contribution	<ul style="list-style-type: none"> Improve induction process Improve confidence to improve contribution
Influencing & Negotiating	<ul style="list-style-type: none"> acknowledging others' views allowing room for discussion and debate learning to produce clear, concise arguments which are evidence based

Problem solving/analysis	<ul style="list-style-type: none"> • learning how to identify underlying causes of problems to assist in finding solutions • Learning how to identify factual evidence in data sets and how to use this in support of arguments
Thinking Strategically	<ul style="list-style-type: none"> • Supporting officers with devising plans to achieve vision • Not getting stuck in the detail • Spotting themes and trends in data
Communication Skills	<ul style="list-style-type: none"> • Exploring the effects of different communication styles
Financial Analysis	<ul style="list-style-type: none"> • Learning how to interpret financial data
Housing Law & Policy	<ul style="list-style-type: none"> • Overview

3.3 The above can be divided into three broad categories with Financial Analysis and Housing Law & Policy being separate training requirements.

Working Together

Training could include

- Communication Skills
- Influencing & Negotiating Skills
- Dealing with Conflict & Criticism
- Team working skills

Officers will arrange awaydays and general team building sessions alongside the calendar of dates for 2009/10.

Problem Solving/Analysis/Decision Making

Training could include

- Data interpretation – how to identify themes and trends
- How to use factual data to challenge effectively

Strategic /Operational Management – Your role as a Board Member

Training could include

- Strategic activities versus Operational activities
- The role of the Board
- The role of staff
- Developing future strategy.

3.4 If the TNA is approved the Governance Team will source some suitable training and devise a training plan.

3.5 The newest recruits to the Board felt that the induction process could be improved. The Governance Team has reviewed this to address any issues and is drawing up a strengthened process which will be brought to Board for approval.

4.0 IMPACT UPON THE HACKNEY HOMES BUSINESS PLAN

4.1 Robust governance is key to managing the organisation properly and delivering its objectives. A tailored training plan for Board Members will enhance their skills and enable the Board to fulfil its role.

5.0 IMPACT UPON THE HACKNEY HOMES RISK REGISTER

5.1 Risk HH6 identifies the need for effective monitoring of Board Member skills and the on-going provision of support and training.

6.0 THE HACKNEY HOMES EQUALITY & DIVERSITY STRATEGY 2006 / ACTION PLAN 2007 – 2010

n/a

7.0 CONSULTATION PROCESS & FINDINGS

7.1 The Board Members have identified their own training needs through appraisal.

8.0 ICT IMPLICATIONS

n/a

10.0: HUMAN RESOURCES IMPLICATIONS

n/a

11.0 FINANCIAL IMPLICATIONS

11.1 Training will be provided over the next 6-12 months subject to budgetary constraints.

12.0 LEGAL IMPLICATIONS / ADVICE

n/a

13.0 OTHER RELATED DECISIONS / GUIDANCE

n/a

Title of Report: Job Descriptions and Person Specifications for the Equalities and Diversity Governance and Resident Participation Champions	
Decision Making Body: Hackney Homes Board	Date: 9 February 2008
Classification: <i>FOR DECISION</i>	Report of: Tess Merrett
Item Previously considered at: <i>Not Applicable,</i>	On Which Date: <i>N/A</i>
Report Author: Tess Merrett <i>Extension 3432</i>	Appendices: 3 Job Descriptions and Person Specifications.

If you have any questions about this report, please contact Tess Merrett on 0208 356 3432

Report Outline:

- Paragraph: 1.0 - Summary of Report;
- Paragraph: 2.0 - Recommendation(s) to the Board ;
- Paragraph: 3.0 – Background;
- Paragraph: 4.0 - Impact Upon The Hackney Homes Strategic Plan 2008 - 2013;
- Paragraph: 5.0 - Impact Upon The Hackney Homes Risk Register;
- Paragraph: 6.0 - Consideration of the Hackney Homes Equality & Diversity Strategy 2006 and Action Plan 2007 - 2010;
- Paragraph: 7.0 - Consultation Process & Findings;
- Paragraph: 8.0 - ICT Implications;
- Paragraph: 9.0 - Human Resources Implications;
- Paragraph: 10.0 – Financial Implications;
- Paragraph: 11.0 - Legal Implications / Advice;
- Paragraph: 12.0 - Other Related Decisions / Guidance.

1.0 SUMMARY

This report seeks Board Members to consider and if in agreement, to approve the attached job descriptions and person specifications for the Equalities and Diversity, Governance and Resident Participation Champions. The job description and person specification for the

Health & Safety Champions are contained in the Health & Safety policy and were approved in March 2007.

2 RECOMMENDATION(S)

- 2.1 To approve the Job Descriptions and Person Specifications for the Equalities and Diversity, Governance and Resident Participation Champions.

3 BACKGROUND

- 3.1 Hackney Homes has 2 Board Champions, for each of the following areas

- Equalities and Diversity
- Health & Safety
- Governance
- Resident Participation

- 3.2 The role of Board Champion has some specific responsibilities alongside regular Board Member duties and the attached Job Descriptions and Person Specifications set out what those duties are.

4 IMPACT UPON THE HACKNEY HOMES STRATEGIC PLAN 2008-2013

- 4.1 There is no impact upon the Hackney Homes Strategic Plan 2008-2013.

5 IMPACT UPON THE HACKNEY HOMES RISK REGISTER

- 5.1 N/A

6 THE HACKNEY HOMES EQUALITY & DIVERSITY STRATEGY 2006 / ACTION PLAN 2007 – 2010

The Job Description and Person Specification will support the roles of the Champions.

7 CONSULTATION PROCESS & FINDINGS

- 7.1 N/A.

8 ICT IMPLICATIONS

- 8.1 N/A

9. HUMAN RESOURCES IMPLICATIONS

N/A

10. FINANCIAL IMPLICATIONS

10.1 N/A

11. LEGAL IMPLICATIONS / ADVICE

11.1 N/A

12. OTHER RELATED DECISIONS / GUIDANCE

12.1 N/A

BOARD CHAMPION

The key role of the Board Champion is to hold Hackney Homes to account on its diversity policies. In practice the Board Champion should lead on this item at board meetings and suggest policy interventions and with the Chair.

Role Description

1. Raise the profile of diversity on the Board and alert Board members of its importance
2. Guide the Board in developing a vision for diversity
3. Contribute to developing a strategy and policy on diversity issues as part of a corporate response
4. Oversee the delivery of the Diversity Strategy from the Board's perspective
5. Represent the Board on the Equality and Diversity Group
6. Monitor and scrutinise performance of the organisation and its partners and suppliers on diversity issues, making recommendations for remedial action where required.
7. Hold senior management to account for delivering objectives and priorities in line with agreed budgets.
8. Provide a positive and proactive lead on diversity for Hackney Homes as an organisation which can influence the community as a whole
9. Act as an ambassador and representative on behalf of Hackney Homes on diversity issues

Person Specification

1. The ability to work as a Board Member contributing to strategy development, performance management on equalities issues.
2. Experience, expertise and understanding of diversity issues as it applies to a large organisation.
3. Well developed interpersonal and communication skills for working as a member of a team
4. A personal commitment to self-development and learning, diversity and equality.

BOARD CHAMPION

The key role of the Board Champion is to hold Hackney Homes to account on its governance policies. In practice the Board Champion should lead on this item at board meetings and suggest policy interventions and with the Chair.

Role Description

1. Raise the profile of governance on the Board and alert Board members of its importance
2. Guide the Board in developing robust governance practices
3. Contribute to developing a strategies and policies on governance issues as part of a corporate response
4. Oversee the implementation of governance policies.
5. Monitor and scrutinise performance of the organisation and its partners and suppliers on governance issues, making recommendations for remedial action where required.
6. Hold senior management to account for delivering objectives and priorities in line with agreed budgets.
7. Provide a positive and proactive lead on governance for Hackney Homes
8. Act as an ambassador and representative on behalf of Hackney Homes on governance issues.

Person Specification

1. The ability to work as a Board Member contributing to strategy development, performance management on governance issues.
2. Experience, expertise and understanding of governance issues as it applies to a large organisation.
3. Well developed interpersonal and communication skills for working as a member of a team
4. A personal commitment to self-development and learning.

BOARD CHAMPION

The key role of the Board Champion is to hold Hackney Homes to account on its resident participation policies. In practice the Board Champion should lead on this item at board meetings and suggest policy interventions and with the Chair.

Role Description

1. Raise the profile of resident participation on the Board and alert Board members of its importance.
2. Guide the Board in developing a vision for resident participation.
3. Contribute to developing a strategy and policy on resident participation issues as part of a corporate response.
4. Oversee the delivery of the Resident Participation Strategy from the Board's perspective
5. Represent the Board on resident participation groups.
6. Monitor and scrutinise performance of the organisation and its partners and suppliers on resident participation issues, making recommendations for remedial action where required.
7. Hold senior management to account for delivering objectives and priorities in line with agreed budgets.
8. Provide a positive and proactive lead on resident participation for Hackney Homes as an organisation which can influence the community as a whole
9. Act as an ambassador and representative on behalf of Hackney Homes on resident participation issues

Person Specification

1. The ability to work as a Board Member contributing to strategy development and performance management on resident participation issues.
2. Experience, expertise and understanding of resident participation issues as it applies to a large organisation.
3. Well developed interpersonal and communication skills for working as a member of a team
4. A personal commitment to self-development and learning on resident participation.

Title of Report: Implications of the Credit Crunch for Hackney Homes	
Decision Making Body: Hackney Board	Date: Monday, 9 February 2009
Classification: FOR INFORMATION AND APPROVAL	Report of: Robin Smith- Woodberry Down Programme Director
Item Previously considered at: N/A	On Which Date: N/A
Report Author: - Robin Smith Ext 1713	Appendices: Appendix 1 : Implications of the Credit Crunch presentation

Report Outline:

<p>Paragraph: 1:0 Summary of Report</p> <p>Paragraph: 2:0 Recommendations</p> <p>Paragraph: 3:0 Introduction</p> <p>Paragraph: 4.0 Regeneration & the supply of new affordable homes</p> <p>Paragraph: 5.0 Decent Homes Programme</p> <p>Paragraph: 6.0 Leaseholders</p> <p>Paragraph: 7.0 Rising Energy & Material Costs</p> <p>Paragraph: 8.0 Employment, Homelessness, & Worklessness</p> <p>Paragraph: 9.0 Debt & Income Collection</p> <p>Paragraph: 10.0 Impact upon the Hackney Homes Strategic Plan 08-13</p> <p>Paragraph: 11.0 Impact upon the Hackney Homes Risk Register</p> <p>Paragraph: 12.0 The Hackney Homes Equality & Diversity Strategy/Action Plan 07-10</p> <p>Paragraph: 13.0 Consultation Process & Findings</p> <p>Paragraph: 14.0 ICT Implications</p> <p>Paragraph: 15.0 Human Resources Implications</p> <p>Paragraph: 16.0 Financial Implications</p> <p>Paragraph: 17.0 Legal Implications</p> <p>Paragraph: 18.0 Other related Decisions/Guidance</p>
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If you have any questions about this report, please contact (Name of the author of the report) on 0208 356 1713 or email robin.smith@hackneyhomes.org.uk.

1.0 SUMMARY

- 1.1 This paper looks at the implications of the credit crunch on the operations of Hackney Homes and makes recommendations on how the impact on residents and operations may be mitigated.

2.0 RECOMMENDATIONS

- 2.1 The Board is asked to consider the report and in particular the possible implications, including what action Hackney Homes should be considering mitigating the impact of the Credit Crunch.
- 2.2 As guidance to the Board, the following actions are recommended:-
- 2.3 Seek a dialogue with the Council on the future supply of affordable homes in Hackney, especially the identification of potential sites within estates managed by Hackney Homes and the means by which these sites may be developed for new affordable housing.
- 2.4 Seek a dialogue with the Council on a review of the regeneration estates with a view to enhancing the living environment for all residents of these estates in the short, medium and long term
- 2.5 Review with the Council the Hackney standard for Decent Homes, taking account of the experience gained to date and the potential shortfall in overall funding, increasing material costs and the need to address the short and medium term needs of the regeneration estates.
- 2.6 Review financial projections to take account of rising energy and material costs, and consider establishing a joint working party with the Council to conduct an options appraisal on service charges.
- 2.7 Review income collection and interest rate projections, and consider establishing a joint working party with the Council to conduct an options appraisal on rent income levels.
- 2.8 Promote Hackney Credit Union and debt counselling initiatives through existing publicity and communication channels.
- 2.9 Review the level of leaseholder debt together with an assessment of potentially vulnerable leaseholders and consider with the Council the measures that may be feasible to mitigate the position both in terms of the debt and for vulnerable leaseholders.
- 2.10 Review jointly with the Council debt recovery and write-off procedures to ensure that they reflect best practice in the current economic circumstances.

3.0 INTRODUCTION

3.1 Over the past year, and particularly in recent weeks, there have been growing difficulties with the supply of credit to the extent that an international financial crisis has erupted. This 'credit crunch' impacts on the operations of Hackney Homes in various ways, including:

- 3.1.1 Regeneration and the supply of new affordable homes
- 3.1.2 Decent homes programme
- 3.1.3 Leaseholders
- 3.1.4 Rising energy & material costs
- 3.1.5 Employment, homelessness & worklessness
- 3.1.6 Debt & rent collection

This paper gives an overview of possible impacts on Hackney Homes arising from an incredibly complex situation that appears not to be fully understood. The situation is changing rapidly and will need to be revisited at regular intervals, but in the meantime this paper is a first attempt at highlighting likely impacts for the Board to consider.

The main impacts, together with possible actions to mitigate these impacts, are considered individually in the following sections.

4.0 REGENERATION AND THE SUPPLY OF NEW AFFORDABLE HOMES

4.1 In recent years the principal financial model for urban regeneration has moved away from one where there were significant Government financial subsidies to one where there is major reliance on private sector funding. For housing schemes, this has meant reliance on the private housing market and the finance generated by current and future housing sales.

4.2 The 'credit crunch' impacts on regeneration in several ways, including:-

- The availability of credit to developers, including housing associations, from financial institutions has effectively disappeared
- Those able to raise capital must pay higher finance costs
- Housebuilders are finding it very difficult to sell homes because purchasers are finding access to mortgages severely restricted. Fewer sales mean less income and extended timescales
- Houseprices are falling with projections of at least a 20% fall in London and a poor market several years ahead. Projected falls of 12.5%-15% wipe out all profitability for housebuilders, according to CLG. This leads to silence in the market, and bargain hunting.
- Developers are increasing their on-cost margins to allow for the greater risk from the 15%-19% band to 20% plus
- Build-cost inflation may drop from 6% to circa 4% because of increased competition for what work is available, but energy and building materials – especially imported materials - are rising rapidly

- Several developers, banks, RSLs and housebuilders are in serious financial difficulty. Experienced staff teams are being laid off, further reducing capacity.

4.0 Government CLG is torn between the urgency of its increased targets for the supply of new housing, especially through urban regeneration, and the financial reality that suggests projects should pause until financial stability returns. CLG realises that there are flaws in its model of relying on the housing market to generate the funds for new housing regeneration schemes.

4.4 Local authorities, together with their strategic partners such as Hackney Homes, are in a pivotal position to help resolve emerging problems. While there are now real problems about delivery in the short term, local authorities are less affected by the financial turbulence, own substantial land and property, and play the crucial role of Planning Authorities. The key issue is how best to utilise these strengths to maintain regeneration project delivery.

Delivering Affordable Homes during the Credit Crunch

4.5 A key partner in helping utilise these strengths is Hackney Homes Ltd. – the Arms Length Management Organisation established by Hackney Council authority to manage Hackney’s social housing stock.

4.6 Hackney Homes is both agent and adviser to the Council for the Woodberry Down regeneration project, the largest such project in Hackney and one of the largest in the UK. Hackney Homes is also involved in other estate regeneration projects, but responsibility is split between the Council and Hackney Homes, with Hackney Homes essentially having little ability to influence Council policy.

4.7 The CLG recently called a meeting of the National Demonstration Projects – including Woodberry Down – with a view to sharing best practice and establishing some guidelines on how best to go forward. The Woodberry Down team also provides the secretariat for the Future of London Major Projects Delivery Group, which similarly shares best practice across London with direct advice from key Government ministers and regeneration practitioners.

4.8 The best advice for current circumstances is, firstly, to check that the project funding assumptions are realistic in the current market, taking account of best available information on future projections. This should be undertaken against a background of knowing in broad terms the vision for delivering new homes in an urban regeneration context. Agreeing the primary financial drivers is fundamental, including:-

- social housing stock replacement criteria, which is by far the most costly of the financial drivers
- living space standards and specification
- how to enhance the tenure balance of the neighbourhood
- landscaping and public realm management
- renewing infrastructure such as drains, utilities and roads
- renewing social infrastructure such as education, health and community facilities, especially in early phases
- costs of any stock transfer
- risk assessment and reasonable market return
- availability of any public funding, and flexibility with current funding commitments
- number of private sale homes required to cross-subsidise the primary drivers, taking account of current and projected changes in the housing market.

4.9 In reviewing the primary drivers to reflect changing economic circumstances, it will be important to resist prolonged negotiation with a developer or housing association. Equally, developers with resources will wish to prioritise their projects in a reduced market. They will want to be confident of other parties' positions.

4.10 As Planning Authority and landowner, the Council is in a good position to work with Hackney Homes as its housing management partner and plan an increase in affordable housing on opportunity sites within estates in consultation with local residents. This helps unlock the latent value of land and can bring new investment into mono-tenure social housing areas.

4.11 The quality of place being shaped within the wider neighbourhood remains crucial. A project that will successfully deliver a truly mixed community implies that individuals choose to live there.

4.12 It is likely that regeneration programmes will be elongated, that there will be additional costs in maintaining homes earmarked for demolition longer than originally expected, and that resident expectations of early rehousing will be difficult to manage.

4.13 Public organisations are able to bring to partnerships potentially well located land at nil value in return for new and better homes. The regeneration enables the construction of new affordable homes, whether social rented or intermediate forms such as sub-market rent or shared ownership, together with the necessary infrastructure and community facilities to shape new neighbourhoods where people want to live.

4.14 A number of other project costs need to be considered to ensure all relevant costs have been identified. These might include:-

- Leasehold repurchase originating from Right-to-Buy
- Compulsory Purchase Order costs

- Decanting existing tenants into new homes
- Resident engagement costs
- Repair costs pending demolition
- Any land purchase costs to facilitate a better outcome

4.15 It may be possible to enhance the supply of affordable new and better homes through Government programmes and participation, e.g. the National Affordable Housing Programme run by the Homes & Communities Agency. This sort of approach can enhance the tenure balance of the project, possibly by converting a percentage of what would otherwise be private housing into affordable homes including Shared Ownership and Shared Equity.

4.16 In summary, therefore, pointers to the way forward for regeneration include:-

- Lower rate of house price inflation, but pent-up demand could work through in three years if credit issues resolved
- Check financial assumptions on current schemes with partners, and negotiate as necessary to ensure earliest possible delivery of new and better homes
- Create value in partnership with deliverers
- Set realistic timescales for negotiations, and monitor progress
- Need to vary product – more diverse types and tenures, with flexibility over numbers to reflect changing market conditions
- Better design
- Take a perspective on long-term asset growth, utilising available public funding and private investment
- Prepare cleared sites, with planning permissions, ready to take advantage of any additional funding opportunities within the public sector
- Start planning future schemes now ready to take early advantage of a strengthening housing market when funding is available
- Community buy-in and management participation are key

4.17 The key to successful regeneration during the ‘credit crunch’ involves taking early action, working with development partners and local communities, demonstrating what is possible, and addressing perceptions, in order to re-build confidence and credibility as early as possible to take advantage of funding opportunities as they become available.

5.0 DECENT HOMES PROGRAMME

5.1 The Decent Homes Programme is a multi- million programme due to complete in 2011/12 to over 30,000 homes (including external works to leasehold properties) to a government defined standard of repair and improvement. To date, £190 million has been spent and completion of the

programme can be achieved if Hackney Homes is successful with the forthcoming Inspection by the Audit Commission.

- 5.2 There are several potential impacts arising from the 'credit crunch'. The first potential impact may be that the Government can no longer afford to invest the total of £225m in the Hackney housing stock in the way previously envisaged. The first tranche of £98m is thought to be secure as it has been committed in a previous Comprehensive Spending Review. A shortfall on the £225m ALMO Credits would mean a re-prioritisation of the Decent Homes programme and a review of the Hackney standard, which involves work beyond the basic defined standard.
- 5.3 The second impact is that regeneration estates are likely to be Hackney's responsibility much longer than originally envisaged, and resources will need to be found to keep these properties in a habitable state of repair for several years ahead. There will also need to be attention to the surrounding public realm. This is an area where the reputation of Hackney Homes suffers from the current lack of resources; currently funding is restricted to what is absolutely essential in health & safety terms for the forthcoming twelve months. Several blocks have been decanted of tenants, but resources have not been available for the repurchase of leaseholders leading to high security and other costs from the semi-derelict situation of these blocks. Either additional resources will have to be found to repurchase the leaseholders and enable demolition so that the sites may be prepared for new affordable housing, or a review will need to be undertaken to decide whether to refurbish and repopulate the vacated homes. There are several of these situations in Hackney and Hackney Homes is in a key position to press for solutions. If the properties are to be refurbished, the funds intended for Decent Homes may be stretched over more properties than originally envisaged as the regeneration estates were not included in the calculations that resulted in the £225m ALMO Credit offer. Overall, significant extra funding will be needed from the Council to maintain these properties in just basic repair. The average unit cost of very basic "interim" repair is currently around £1,500. Where repairs are needed to windows and roofs, the average cost is over £5,000 per property.
- 5.4 The third impact is on the costs of the mainstream Decent Homes Programme. While labour rates may be restrained due to increased competition for available work (although Hackney is within an area influenced by major building work for the Olympics in 2012), energy and building material costs have been escalating recently. The higher building material costs are partly due to higher energy costs, international competition for raw materials such as iron ore, and a significant decline in the value of the pound versus the dollar and the euro. Many of the Decent Homes building components are, for example, imported from France and Germany. However, the need to re-tender the Decent Homes contracts in 2010 gives an opportunity to review both the labour and materials input to the programmes.

- 5.5 These additional costs will be compounded by the difficulties being experienced by some supply chain partners in raising credit from their bankers, and also by those main contractors with significant exposure to private housebuilding and the potential increased risk of financial failure.
- 5.6 We also need to be confident about the resources being allocated to Decent Homes relative to the Decent Homes standard applied in Hackney. It would be wise to review progress, and revise resource allocation as appropriate.
- 5.7 On the positive side, the decline in new housebuilding releases scarce skilled labour resources for refurbishment with the potential for keener pricing than would otherwise be the case. Hackney Homes is leading a Supply Chain Management Consortium, with support of CLG, to achieve lower supply chain prices through larger scale purchasing. So far one other London Local Authority and a Housing Association have joined the consortium. Negotiations are at an advanced stage with two other London Authorities.

6.0 LEASEHOLDERS

- 6.1 Hackney Homes is responsible for collecting service charges and major repair costs from 8,769 leaseholders and freeholders who pay service charges (as at 31st August 2008, both resident and non-resident). The 'credit crunch' will impact again in several ways.
- 6.2 Firstly, there has been a considerable drop in RTB applications and sales since 1st April 2008 with only 92 applications and 22 sales as at 31st August 2008. In 2005 there were 532 applications and 203 sales and it is anticipated that numbers will continue to drop for those tenants in a position to apply for the RTB.
- 6.3 Secondly, leaseholders facing re-mortgaging for whatever reason, or coming to the end of a fixed rate discount, may face severe difficulties in maintaining payments and be at risk of losing their home, adding to homelessness pressures within the Borough. The re-mortgaging issue is particularly relevant for those leaseholders facing high major works bills, where a re-mortgage may be their only option in paying the bill.
- 6.4 Thirdly, even where leaseholders may not face a high major works bill there will be cases where service charge bills increase substantially due to the higher costs, e.g. fuel and electricity that the Council and Hackney Homes incur due to the credit crunch.
- 6.5 Fourthly, consideration must also be given to leaseholders who face unemployment, or a reduction in income, due to the credit crunch, but are unable to access Government benefits in the same way that tenants can.

These could lead to leaseholders facing increased credit restrictions and be unable to service their debts, placing their homes at risk. Such increased restrictions will also apply to tenants, and place them in difficulty as well.

7.0 RISING ENERGY AND MATERIAL COSTS

- 7.1 Energy costs are rising sharply in the UK due to rising demand for oil, shortage of generating capacity in the UK, and the recent fall in the value of the pound relative to other major currencies.
- 7.2 The impact will be on utility bills for Hackney Homes, and the supply of materials for its operations. Where Hackney Homes pays communal bills, it will require a reassessment of recharges to tenants and leaseholders.
- 7.3 There is a large and growing disparity between the costs of energy being met by Hackney Council/Hackney Homes and the level of service charges which currently do not reflect these costs. In respect of gas, electricity and oil this disparity is measured in the region of £2 - £3 million per annum. For example, in relation to electricity and other fuel, service charges were introduced when de-pooling was introduced in 2003. The charges appear to have been fixed at below full recovery of costs. Costs have increased exponentially since then as a result of the energy crisis. Charges however have risen only by inflation in this period. One effect of this under-recovery is that tenants who are receiving the service are being subsidised heavily by tenants who do not receive the service. It is believed that there is no Housing Subsidy impact of increases in service charges.
- 7.4 For tenants and leaseholders paying direct charges to utility companies there will be significant increases in utility bills putting even greater pressure on limited incomes

8.0 EMPLOYMENT, HOMELESSNESS AND WORKLESSNESS

- 8.1 The Credit Crunch and other economic factors are likely to result in a significant slow down in the UK economy. The expected rise in unemployment, coupled with the difficulties in remortgaging or meeting payments when discounted fixed rates come to an end, is likely to result in increased homelessness as people have their homes repossessed. Many of Hackney Homes' leaseholders could face these difficulties.
- 8.2 Tenants are less likely to be affected, although more could find it difficult to balance their budgets and avoid debt. However, for those tenants seeking work, it will be more difficult to secure employment. This may impact more seriously on more vulnerable tenants, particularly those with disabilities.

8.3 It might be worth considering an initiative on debt counselling, whereby Hackney Homes gives greater publicity through existing channels to established debt counselling providers. Housing Services and Leasehold and RTB Services currently have debt counselling initiatives in place but in view of the current financial climate these should be reviewed with a view to increasing tenant and leaseholder take up of these.

8.4 Hackney Homes could also target its recruitment, especially in respect of lower skilled jobs, more closely to the needs of local people on its estates, perhaps working with the Job Centres, the Council, and other partners.

9.0 DEBT AND INCOME COLLECTION

9.1 The number of people struggling with debt is likely to rise. This will impact on income collection levels for Hackney Homes, especially in relation to rent, service charge and major work income from those tenants and leaseholders who pay these themselves rather than through the benefit system.

9.2 Hackney Homes is therefore likely to experience reduced amounts of income collected, which will in turn be receiving lower interest as interest rates fall.

9.3 It will be timely to review the overall strategy on rent income levels in the light of the Credit Crunch. Hackney rent increases have tended to be on the low side relative to the Government's Rent Restructuring Regime, and a joint review with the Council could consider the overall income position.

9.4 Hackney residents can be the victim of loan sharks selling short term loans at very high interest rates via doorstep selling. This could be countered by Hackney Homes giving publicity through existing channels to initiatives such as the Credit Union which can offer short term low interest loans, and also to debt counselling as previously mentioned. A high profile communications campaign, in conjunction with organisations like the Credit Union, which could be wholly or partly funded by them, could result in less tenants and leaseholders being victims to loan sharks. There may also be scope to use mobile phone technology linked to data held on residents' telephones.

9.5 In terms of debt recovery and write-off procedures it may be timely to revisit these in conjunction with the Council to check best practice.

10.0 IMPACT UPON THE HACKNEY HOMES STRATEGIC PLAN 2008 – 2013

10.1 The Strategic Plan will need to be revised in due course as the implications of the Credit Crunch become clearer.

11.0 IMPACT UPON THE HACKNEY HOMES RISK REGISTER

11.1 The Risk Register will need to be recast in the light of the impacts of the Credit Crunch.

12.0 THE HACKNEY HOMES EQUALITY & DIVERSITY STRATEGY 2006 / ACTION PLAN 2007 – 2010

12.1 Many people in Hackney will suffer as a result of the Credit Crunch, but this should not in itself require a recasting of the Hackney Homes Equality & Diversity Strategy

13.0 CONSULTATION PROCESS & FINDINGS

N / A.

14.0 ICT IMPLICATIONS

N / A.

15.0: HUMAN RESOURCES IMPLICATIONS

15.1 Financial pressures arising from the Credit Crunch might impact on staff resourcing levels.

16.0 FINANCIAL IMPLICATIONS

16.1 The financial implications are likely to be many and varied, as indicated in the body of the report. At this stage it is impossible to quantify the implications, other than to state that they are potentially serious for the extent of repair works needed to the Hackney Housing stock.

17.0 LEGAL IMPLICATIONS / ADVICE

N / A.

18.0 OTHER RELATED DECISIONS / GUIDANCE

18.1 Hackney Homes will need to work in partnership with the Council to address the implications, and with other organisations such as the GLA, Government, and Homes & Communities Agency to identify opportunities and mitigate the impacts.

IMPLICATIONS OF THE CREDIT CRUNCH FOR HACKNEY HOMES

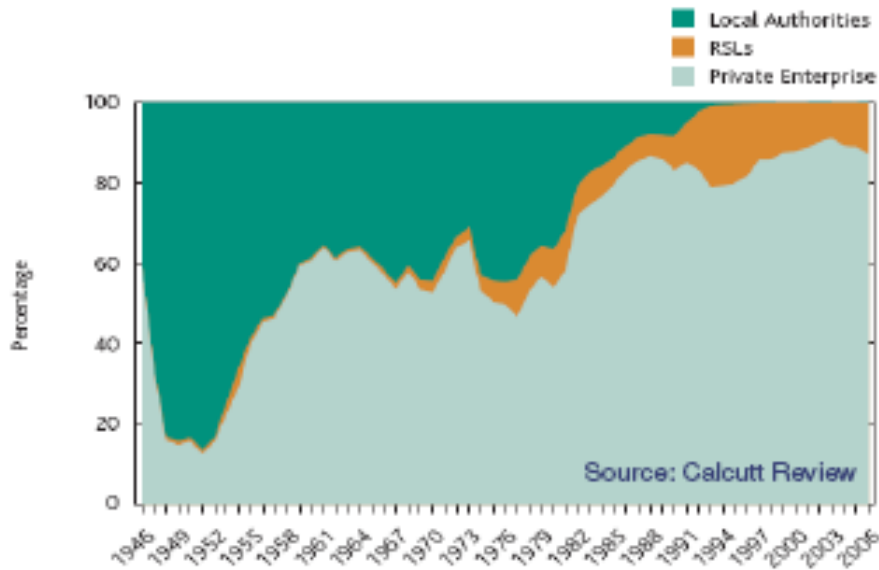
Hackney Homes Board

8th December 2008

Credit Crunch Impacts

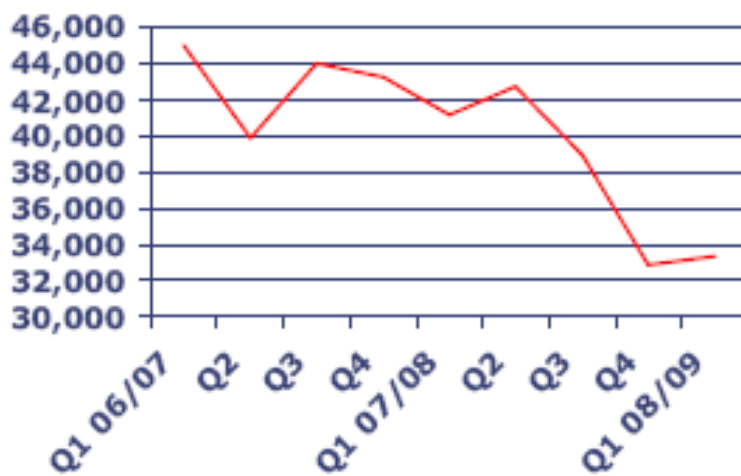
- Major reliance on private housing market to fund regeneration
- Lack of credit
- Fewer sales mean less income and extended timescales
- Falling house prices
- No profitability in a poor market
- Increased risks
- Falling £
- Building cost Inflation
- Loss of development capacity

New housing by tenure: 1946 - 2006



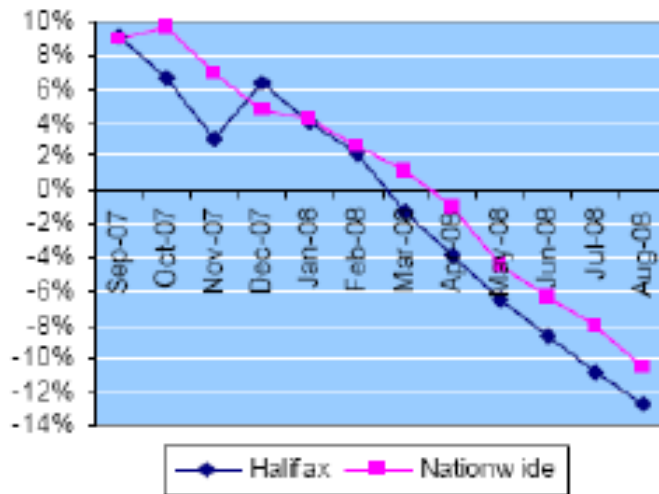
HackneyHomes
In partnership with Hackney Council

England Housing Starts



HackneyHomes
In partnership with Hackney Council

Year on Year change in UK House Prices



Sterling Trade-Weighted Exchange Rate



Implications for Regeneration & New Home Supply

- Lower house prices, but pent-up demand could work through in three years if credit issues resolved
- Need to vary product – more diverse types and tenures, with flexibility over numbers to reflect changing market conditions
- Better design
- Take a perspective on long-term asset growth, utilising available public funding and private investment
- Community buy-in and management participation are key

Community Buy-In



Site Visits



**HackneyHomes**
In partnership with Hackney Council

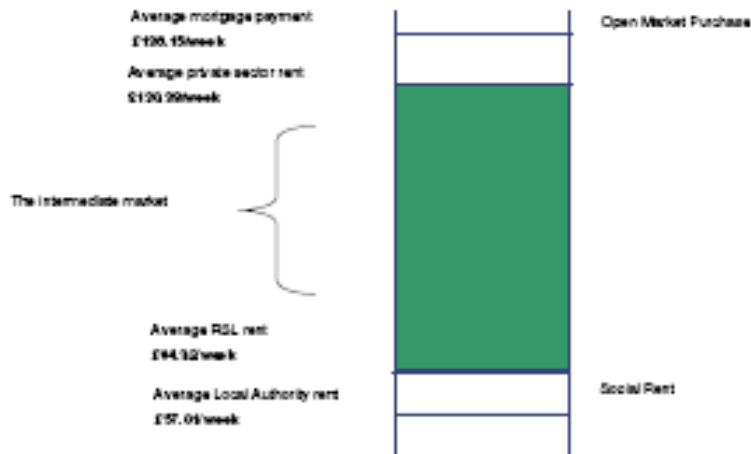
Key Areas for Action

- Check assumptions on current schemes with partners, and negotiate as necessary to ensure earliest possible delivery of new and better homes
- Have worked-out schemes ready to take advantage of any additional funding opportunities within the public sector
- Start planning future schemes now ready to take early advantage of a strengthening housing market
- Be innovative on delivery models that can explore new tenure and financing arrangements

**HackneyHomes**
In partnership with Hackney Council

HCA Funding – Significant Investment

The Affordability Ladder



Sources: CLG, Woolwich

HackneyHomes
In partnership with Hackney Council

Implications for Decent Homes

- Possible shortfall in resources overall
- Maintaining liveability
- Rising material costs
- Credit issues with suppliers
- Need for review

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General Implications for Residents

- Utility bills
- Depooled service charges
- Rising homelessness
- Debt counselling
- Recruitment from the estates

Implications for Leaseholders

- RTB decline
- Re-mortgage problems
- Service & repair charges
- Inability to move
- Overcharging
- Unemployment & income loss

Issues for Hackney Homes

- Pressure on income collection targets
- Lower interest rates
- Debt support and Loan Sharks
- Risk Register
- Policy Review
- Strategic Plan

Recommendations - 1

- Seek a dialogue with the Council on the future supply of affordable homes in Hackney, especially the identification of potential sites within estates managed by Hackney Homes and the means by which these sites may be developed for new affordable housing
- Seek a dialogue with the Council on a review of the regeneration estates with a view to enhancing the living environment for all residents in the short, medium, and long term.
- Review with the Council the Hackney standard for Decent Homes, taking account of the experience gained to date and the potential shortfall in overall funding, increasing material costs and the need to address the short and medium term needs of the regeneration estates.

Recommendations - 2

- Review financial projections to take account of rising energy and material costs, and consider establishing a joint working party with the Council to conduct an options appraisal on Service charges
- Review income collection and interest rate projections, and consider establishing joint working party with the Council to conduct an options appraisal on rent income levels.
- Promote Hackney Credit Union and debt counselling initiatives through existing publicity and communication channels

Recommendations - 3

- Review the level of leaseholder debt together with an assessment of potentially vulnerable leaseholders and consider with the Council the measures that may be feasible to mitigate the position both in terms of the debt and for vulnerable leaseholders.
- Review jointly with the Council debt recovery and write-off procedures to ensure that they reflect best practice in the current economic circumstances.

Opportunities



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Discussion

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Title of Report: The new Section106 funding procedure	
Decision Making Body: Hackney Homes Board	Date: Monday 99th February 2009
Classification: FOR INFORMATION	Report of: Director of Property Services G. Penticost
Item Previously considered at: (1) Hackney Homes Board (2) Hackney Council Management Team	On: 18th August 2008 26th February 2008
Report Author: - Curtis Taylor x2260	Appendices: 1. 'Head of Terms' 2. HH applications for specific funding 3. HH applications for general funding

Report Outline:

- **Paragraph: 1.0 - Summary of Report;**
- **Paragraph: 2.0 - Recommendation(s) to the Board ;**
- **Paragraph: 3.0 – Introduction;**
- **Paragraph: 4.0 – Background;**
- **Paragraph: 5.0 – The New Framework and the Project Bank;**
- **Paragraph: 6.0 – Resources;**
- **Paragraph 7.0 - Hackney Homes Current Applications for Funding;**
- **Paragraph 8.0 - Update on application for the De Beauvoir Estate;**
- **Paragraph: 9.0 - Impact Upon The Hackney Homes Strategic Plan
2008 - 2013;**
- **Paragraph: 10.0 - Impact Upon The Hackney Homes Risk Register;**
- **Paragraph: 11.0 - Consideration of the Hackney Homes Equality &
Diversity Strategy 2006 and Action Plan 2007 - 2010;**
- **Paragraph: 12.0 - Consultation Process & Findings;**
- **Paragraph: 13.0 - ICT Implications;**
- **Paragraph: 14.0 - Human Resources Implications;**
- **Paragraph: 15.0 – Financial Implications;**
- **Paragraph: 16.0 - Legal Implications / Advice;**
- **Paragraph: 17.0 - Other Related Decisions / Guidance.**

1.0 SUMMARY

1.1 This report set out the details of Hackney Council's new procedure for Section 106 funding applications and provides an update on Hackney Homes' applications

2.0 RECOMMENDATION

That the report is noted.

3.0 INTRODUCTION

3.1 The Section 106 (S106) agreements – also known as planning contributions – are legally-binding agreements between planning authorities and developers which are linked to a planning permission.

3.2 S.106 agreements are drawn up when a development will have negative impacts that cannot be dealt with through conditions in the planning permission. They aim to create better quality environments in and around new developments which can range from improving roads and building new community facilities, to creating open spaces and improving local schools

4.0 BACKGROUND

4.1 Hackney Council's old S.106 funding allocation process had been criticised because of the low uptake, insufficient monitoring and the lack of transparency derived by a 'first come, first served' approach.

4.2 Following these criticisms, they undertook a review which resulted in the creation of a new framework. The new approach aims at establishing greater transparency via a formal application process and a new electronic monitoring system.

4.3 The issue of S106 funding processes was previously raised with the Board in June 2008 by Terry Reynolds, Chair of the De Beauvoir Tenants and Residents Association, following lengthy delays in processing the contribution referred to at paragraph 8.1.

5.0 THE NEW FRAMEWORK AND THE PROJECT BANK

5.1 Under the new framework, Hackney Council will allocate S.106 funding using a 'Project Bank' system. The ideas in the project bank will need to meet the Council aims and objectives and ensure maximum community benefits are delivered. The Bank will be used to apportion existing funding and inform future negotiations and spend.

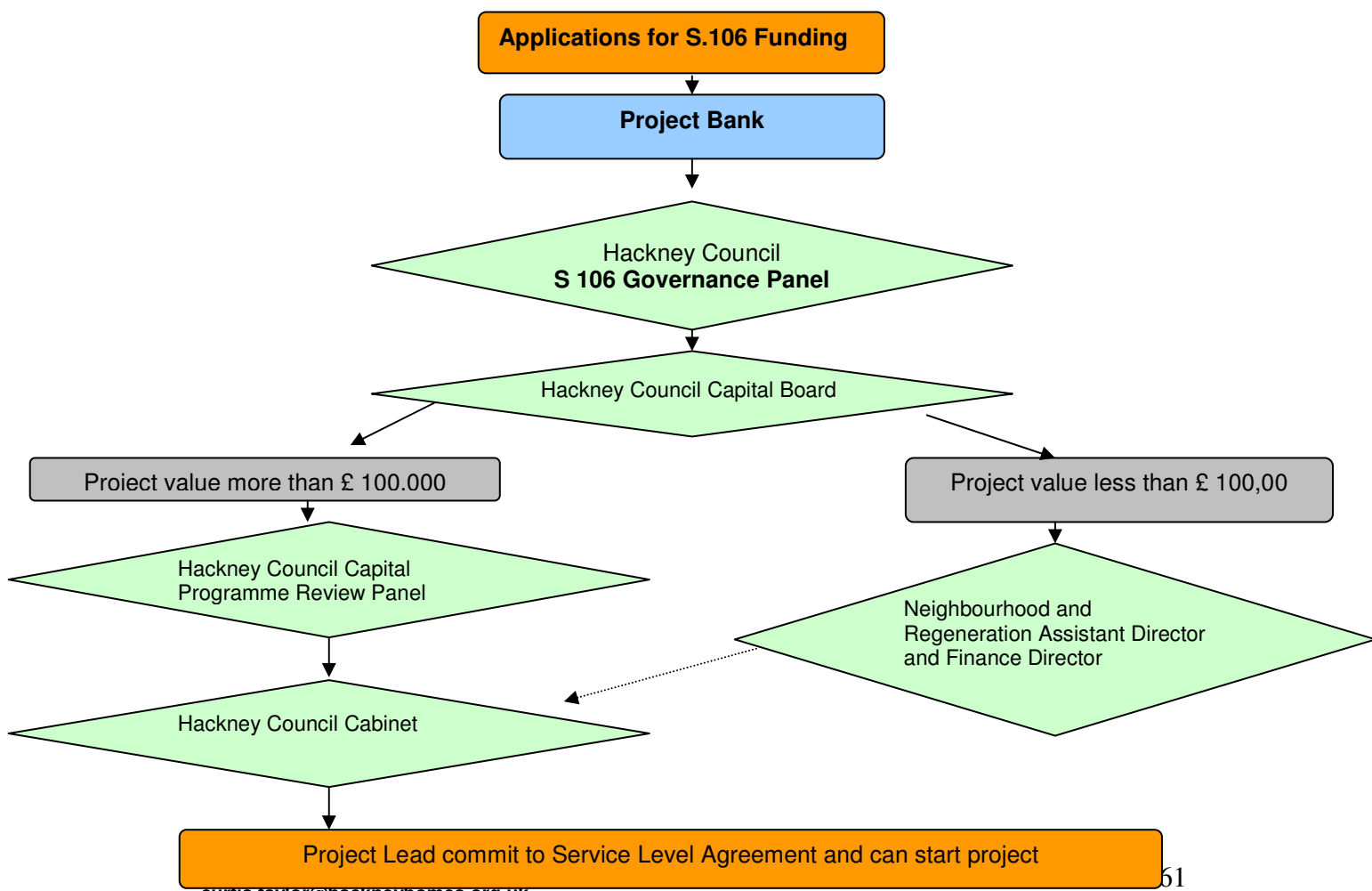
5.2 All applications need to be endorsed by the relevant officers Management Team, who will need to indicate which projects represent the highest priority. In Hackney Homes the Executive Team covers this role.

5.3 All proposed projects will go to Hackney Council’s **S106 Governance Panel** for approval or rejection. The S 106 Governance Panel is a sub-group of Hackney Management Team (HMT) and will ensure the project is a legally appropriate use of S 106 funding as well as resolving any disputes about the allocation of funding should competing projects come forward wishing to spend the same agreements.

5.4 Projects approved by the S 106 Governance Panel must receive approval from Hackney Council’s Capital Programme Review Panel (CPRP) unless the project value is less than £ 100,000 where approval is required from the Neighbourhood and Regeneration Assistant Director and the Director of Finance but must be noted to Cabinet.

5.6 Following final approval, the Project Lead will be required to commit to a service level agreement to deliver the project as stated in the application and adhere to monitoring procedures in line with the Council guidelines.

5.7 The following flowchart shows the different stages of approval an application will have to go through prior to authorization:



6.0 RESOURCES

6.1 Hackney is currently undertaking a drive on the £ 7,193,247 of unallocated funding. A summary of the contributions fund can be found in Appendix 1. The contributions are divided under Head Of Terms (HOTs) which can be described as head of expenditure.

6.2 Funding is divided into two main types;

- **Type 1 - Specific Funding:** where the terms laid out in the planning agreement bind the Council to fund specific actions/interventions in set locations;
- **Type 2 - General funding** where the use is set only by the Head of Terms but can funds intervention anywhere in the borough.

7.0 HACKNEY HOMES CURRENT APPLICATION FOR FUNDING

7.1 Hackney Council asked Hackney Homes to consider five **specific funding** applications totalling £91,129. We found that we could only meet the specified requirements for three applications and have applied for a total funding of £ 60,000 as detailed in Appendix 2.

7.2 With regard to applying for **general funding**, Hackney Homes has started working up a Project Bank. We have presented 5 bids under two HOTs: 'Child Play' and 'Environmental Improvements'. The total funding applied for is £209,524. Details can be found in Appendix 3.

8.0 UPDATE ON APPLICATION FOR DE BEAUVOIR ESTATE

8.1 One scheme that has successfully gone through under the old system is the application for funding to upgrade the De Beauvoir bin stores. The bin areas in this estate were an eyesore and had been attracting drug users and antisocial behaviour for a number of years. The estate has now benefited from an allocation of £ 100,000 towards the cost of upgrading 13 bin chambers.

8.2 The De Beauvoir Tenant and Residents Association has been closely involved and a key player throughout the bidding process for this project. They are now delighted that the funding has finally been approved and will be invested in their estates.

9.0 IMPACT UPON THE HACKNEY HOMES STRATEGIC PLAN 2008 - 2013

9.1 The Strategic Plan section, 'Improving Neighbourhoods', includes a commitment to contribute to physical, social and economic regeneration by involving and working with local communities through Estate Plans and otherwise

9.2 The S 106 contribute to the following strategic objectives:

Delivering modern Homes

- By increasing funding available for environmental improvements

Improving Neighbourhoods

- By working with partners and residents to ensure that our investments address the needs and priorities of the local communities.

10.0 IMPACT UPON THE HACKNEY HOMES RISK REGISTER

10.1 S106 represents risk mitigation in that it is a potential funding source for the attainment of sustainable and decent estates. The new risk of raising unrealistic expectations amongst residents will be mitigated via consultation on Estate Plans.

11.0 THE HACKNEY HOMES EQUALITY & DIVERSITY STRATEGY 2006 ACTION PLAN 2007 – 2010

11.1 The Project Bank will be drawn up by working with partners and residents to ensure that our investments address the needs and priorities of the local communities.

12.0 CONSULTATION PROCESS & FINDINGS

12.1 In respect of both De Beauvoir bin stores and the Council's new processes, the Chair of De Beauvoir TRA has been closely consulted. The Chair of Acton TRA has also expressed an interest in S106 and has attended a briefing session from the Council.

12.2 In order to encourage involvement in building the project bank, Hackney Homes Residents Participation Team will publicise the new processes in the web site, Hackney Homes News, Get Involved Newsletter and send out the information to their distribution list for comments.

12.3 In the longer term, the project bank will be linked to the database of projects developed by the Estate Plans which involves extensive consultation at local level.

13.0 ICT IMPLICATIONS

NA

14.0: HUMAN RESOURCES IMPLICATIONS

NA

15.0: FINANCIAL IMPLICATIONS

- 15.1 £100,000 has been credited to Hackney Homes capital account for the repayment of the bin stores works (carried out in June 2007). This bid was previously endorsed by Capital Programme Review Panel and the Mayor in March 2008. Release of funding was suspended in April on advice from Hackney Legal Services whilst Enforcement action was taken on the developer. It has now been approved by Cabinet on 27th October 2008.

16.0 LEGAL IMPLICATIONS / ADVICE

- 16.1 Hackney Legal Services advised the Council's Director of Finance to suspend the release of £100,000 under the Head of Term, Environmental Improvement in the S106 agreement for 6-24 Southgate Road, until the Planning Enforcement Officer signed off the development. The Enforcement Officer has inspected and confirms that all of the 7 unauthorised flats have now been removed and the enforcement case file has now been closed.

17.0 OTHER RELATED DECISIONS / GUIDANCE

- 17.1 Board Members received a briefing on Estate Plans by the Divisional Head of Asset Management in June and an update report is scheduled for April 2009.

Appendix 1

Head of Terms

Table 1: Contributions Fund Summary (excluding Housing and Highways)						
	Agreed	Received	Allocated	Unallocated	Unallocated monies subject to planning issues	Currently Available General Funding
Child Play Area	369,754	235,037	0.00	235,037	0.00	70,000
Community Facilities	3,644,203	3,593,157	2,719,329	873,828.00	0.00	221,500
Ecological Management	50,706	50,706	0.00	50,706	0.00	0.00
Education and Training	9,566,713	5,482,048	1,498,545	3,907,503	76,000	2,833,492
Employment and Job Creation	2,648,982	2,383,982	2,169,623	214,359	0.00	108,176
Environmental Improvements	3,198,308	2,288,693	957,139	1,026,494	267,560	135,500
Open Space and Nature Conservation	185,106	128,200	0.00	128,200	0.00	57,200
Other	124,000	121,000	115,633	5,367	0.00	0.00
Play Space	150,000	150,000	0.00	150,000	0.00	0.00
Public Transport	1,355,250	918,453	345,000	573,453	0.00	0.00
Public Arts	85,000	60,000	35,000	25,000	0.00	0.00
Recreation	3,300	3,300	0.00	3,300	0.00	3,300
School Fund	200,000	200,000	65,000	0.00	135,000	0.00
Total	£21,581,323	£15,614,576	£7,905,269	£7,193,247	£478,560	£3,430,918

Table 1 (above) provides a snapshot of the current financial situation across all head of terms (excluding New Housing and Highways).

- **Allocated sums** refer to monies which have been or are to be used for projects.
- **Unallocated sums**, are the amounts currently available for section 106 projects.

August 2008

Appendix 2

HACKNEY HOMES CURRENT APPLICATIONS FOR SPECIFIC S106 FUNDING						
Hackney Homes Ref.	Plann. Appl. N.	Development Site	Amount	Head of Terms	Conditions	Comments
S106/001	2002/0323	Oldhill Street 47, London, N16	£ 10,000	Environmental improvements	For security and lighting improvements on Dachtler Estate	Applied for lighting improvements.
S106/003	665/22.12.03	Land at the corner of Hassett Road and Barnabas Road, London E 9	£ 6,000	Environmental Improvements	to be utilised for a new door entry system for 1-23 (odd no's) and 37-39 (odd no's) Hassett Road or to be used for general Environmental improvements.	The door entry installed 2005/06. Applied for traffic calming measures and signs.
S106/005	209/14.01.02	Cassland Road, Former Cassland Road School, London E9	£ 44,000	Gascoyne Estate	Environmental Security improvements to the estate	Applied for security improvements.
TOTAL			£ 60,000			

Appendix 3

HACKNEY HOMES PROJECT BANK APPLICATIONS FOR GENERAL S106 FUNDING			
Hackney Homes Ref:	Summary of proposed Intervention	Amount required	Head of Terms
S106/PB01a	Programme of projects to improve the estate environment - Clapton Neighbourhood	£ 52,709	Environmental Improvements
S106/PB01b	Programme of projects to improve the estate environment - Shoreditch neighbourhood	£ 60,815	Environmental Improvements
S106/PB03	Rhodes Estate - Develop/refurbish existing play area for under 8; works include provision of 2 new items of equipment, relandscaping, turfing areas currently tarmac and demolition of concrete base to prepare for new surface.	£ 35,000	Child Play Facilities
S106/PB04	Lincoln Court - To install a new play are for under 8 onto roof of underground garages between 2 towerblocks. The estate is made up of a 3 tower blocks which house a number of families with young childer and there are no other facilities in place.	£ 39,000	Child Play Facilities
S106/PB05	Moundford Estate - Refurbish play area for under 8. Works will include new fencing and new tarmac. This estate is made up of 120 dwelling, the works will improve enviroment as well as reducing cost of reactive maintenance.	£ 22,000	Child Play Facilities
TOTAL		£ 209,524	