



Progress Update to East Northamptonshire Council

April 2013

Introduction

This report provides Councillors with a brief summary of key areas of progress and information to keep them up to date with the work of Spire Homes. It provides information about our notable achievements over the past year and our business plans and priorities for the year ahead. It is hoped that it proves useful and informative. If you would like any further information on the content of this briefing paper or the work of Spire Homes generally please contact Lynn Stubbs, Director of Business Services on 01933 415323.

Notable achievements over the past year

Despite the challenging economic climate, Spire Homes has continued to flourish and deliver high quality homes and housing services that have helped to improve the quality of life for our customers and their families. Spire Homes remains a strong, financially sound and viable business that is confidently operating within its Business Plan projections. Outlined below are just some of the many notable achievements over the past year:

- We took part in the National Best Companies Programme in 2012 and we are extremely proud that we were successfully accredited as an '**Outstanding Two Star Best Company To Work For**'. This is a fantastic achievement and recognises our continuing focus on our staff and on making Spire Homes a great place to work.
- We also ranked number **20** in the prestigious Sunday Times List of the '**Top 100 Companies To Work For**' in the not-for-profit category which is an accolade we are extremely proud of.
- During the year we launched our staff volunteering scheme which gives staff the opportunity to help with good causes in our local communities.
- Despite the tough financial climate, we have continued to invest in our homes to keep them well maintained and desirable properties. Through this major investment and strong asset management, all of our homes throughout Northamptonshire meet the Government's Decent Homes Standard, and go beyond this through our 'Home Standard' which was developed with our customers to ensure our homes meet their aspirations.

- We have helped hundreds of tenants and their families through our aids and adaptations service by providing the equipment and remodelling work they need to enable them to remain in their homes, or move to a more suitable one.
- Our Care and Repair Service continues to provide a life line for home owners in need of adaptations to their homes whom without this service may have to move.
- In July we appointed Apollo as our new repairs contractor to provide our repairs service across all of our homes. The new contract offers extra appointment slots and longer opening hours to take telephone calls bringing satisfaction levels to their highest ever. The new repairs contract is an all-inclusive fixed price per property and will bring us significant savings each year. The contract is also bringing considerable added value to our locality through supporting community projects, employing local labour and apprentices and using local supply chains.
- We are committed to responding to the housing crisis in our region and developing much needed affordable new homes. In the last year we developed new homes for rent and shared ownership and had 250 homes on site which is the highest number of new homes in progress at any one time. To date, 543 families have benefitted from our new homes and we are exceptionally proud of this contribution to bringing affordable new homes to our area.
- Over the year we have made great progress in developing our knowledge about our customers in preparation for the Welfare Reform changes. This vital intelligence has enabled us to fully understand the impact of the proposed changes and find solutions to support our tenants. We have a comprehensive welfare reform action plan overseen by a dedicated steering group. We have made great progress in ensuring tenants understand the imminent reforms and the impact upon them. Using our customer intelligence we have been able to communicate this in the most effective way, as well as targeting specific tenants. Our first priority has been to make contact with tenants impacted by the new under occupation rules which came in to force on 1st April this year.
- With household incomes set to reduce as a result of the reforms we have strengthened our financial inclusion work during the year. This included launching our Money Guidance Service which is already proving a fantastic resource for our tenants. Already hundreds of tenants have been helped to manage their debts and ensure they are getting the benefits they are entitled to. This service has proved a lifeline for many tenants facing hardship who have had a much needed boost to their household income as a result of this support. Demand for this service continues to grow as the financial climate remains tough.
- We have continued to help people improve their job prospects through a variety of initiatives, including providing voluntary work experience for people living locally to boost their skills and employment chances and ensuring that our contractors employ apprentices and trainees to work in our homes.
- Our Community Grant Fund also helps people to improve their employment chances as well as supporting individuals and encouraging neighbourhood development in the communities where we work. Our Grant Fund is a shining example of how small things can make a big difference.

Residents oversee the scheme via a Grants Panel and make the decisions about where the grants are awarded. To date, over £47,000 has been awarded to a range of individuals and groups and this innovative scheme has been nominated for a TPAS Excellence in the Community Award and has reached the regional finals.

- We have become founder members of an East Midlands wide initiative with Credit Unions to be able to provide tenants with access to banking services that will help tenants and Spire meet the challenges of welfare reform. We also participate in a mortgage rescue scheme to help home owners stay in their homes and a Northamptonshire affordable loan scheme.
- Our Tenancy Support Service also continues to make a difference to tenants' lives and hundreds of tenants have benefited from the service which has helped them with things like budgeting and life skills and supporting people moving into their first home.
- We've continued to raise awareness amongst our customers of energy efficiency initiatives to eradicate fuel poverty, linking in with other organisations and campaigns.
- We have been helping to cut the costs of bills coming in and making homes more energy efficient. Work such as installing cavity walls and loft insulation as well as new roofs, new windows and better heating systems are all making a difference to the bills that people pay. Following a successful grant bid we were also able to give tenants in need, one-off winter heating payments.
- Solar PV panels have also reduced energy costs and consumption for many residents and we have just commenced a 2 year programme to improve the insulation of over 300 homes with solid walls which are traditionally difficult to heat and insulate. We successfully attracted around £1.7 million in ECO funding to support this project.
- We have continued to develop a robust tenant scrutiny framework over the past year to develop our co-regulatory approach. Our new Customer Link Committee was set up during the year to give tenants the opportunity to directly discuss key priorities and performance with our Board Directors.
- Our resident inspectors continue to play a key role in helping us to review and improve services. Following their review of our grounds maintenance service this year we have been working closely with residents to implement their recommendations to improve this service.
- We have made better use of our ICT systems during the year so processes are more streamlined, provide better working practices and increase efficiency. Examples include re-engineering the arrears process to make it more automated and installing new call handling software which has improved accessibility and given us a smarter way of answering customers' calls.
- We have worked with Groundwork Northamptonshire to create our first community allotment in Higham Ferrers. This project has been developed for the benefit of the whole community with local residents being involved right from the start. Groundwork has also been working with local children by holding after school classes to show the benefits of growing your own food.

Our plans and priorities for the year ahead

Like many other service providers throughout the UK, we continue to face a period of considerable change arising from significant shifts in policy direction and measures to reduce the budget deficit. As a housing sector we are probably experiencing the biggest change process we have faced since the early seventies as our operating environment has become increasingly complex and challenging.

The economic outlook remains bleak for many households as incomes are being squeezed, whilst the cost of living rises. So our plans for the year ahead take account of and will be delivered in the context of the changing operating environment and the need to support our customers through these difficult times. Spire Homes is geared up for this challenge with financial plans in place to continue to invest in our existing homes as well as to build much needed new homes.

Our Business Plan also accommodates strong, effective and customer focused local housing services, as well as the added value services such as tenancy support, money guidance and meaningful involvement that sets Spire Homes apart as a landlord and makes a difference to the daily lives of tenants and the wider community in these challenging times.

We also have very strong relationships with our Local Authority partners which we want to build upon in the year ahead as we respond to the Localism agenda and housing issues within our areas.

The Business Plan for the year ahead is still being finalised, however outlined below are the key business aims that we intend to take forward in the coming year. These will be subject to final approval by the Board over the next month.

Each of these aims will be supported by specific delivery objectives for the next twelve months, which form part of comprehensive Service Improvement Plans for each service area. Our focus in the year ahead will be upon:

1. Ensuring our homes are well maintained, desirable and financially viable.

This will include:

- Ensuring we make the best use of the properties, land and sites we own or manage, exploring all options for development use, re-designation or potential disposal. We have thoroughly reviewed our asset management strategy and approach to ensure it is robust and effectively informs strategic decisions.
- Ensuring all properties meet the Decent Homes Standard as an absolute minimum.
- Having robust plans in place to maintain and improve our properties to protect our assets and to make them desirable homes. Ensuring all investment works are delivered on time, within budget and achieve agreed levels of customer satisfaction.
- Completing the asset management review of our garages to determine the best options for their future use and implement the recommendations during 2013/14.

2. Providing more homes and related services in our area to address housing demand.

This will include:

- Seeking out new business and growth opportunities, which complement our mission and strategic direction and consolidating our position in our key areas of Northamptonshire and Rutland.
- Continuing to meet affordable housing needs as a major provider of new homes in the areas we operate, working with Local Authority partners to complement their housing strategies. Our target is to deliver an average of 175 new homes per year. A key aspect of this will be to consider new models and approaches, such as market or intermediate rents where this supports our charitable and social objectives to provide cross subsidy for affordable homes and ensure schemes are financially viable.
- Providing services for others where they generate income or break even and deliver qualitative benefits.

3. Delivering service excellence and nurturing our 'can do' culture.

This will include:

- Continuing to value our staff as our greatest asset; fostering a team spirit and a culture of continuous improvement, innovation and creativity, and building on our high levels of staff satisfaction.
- Continuing to invest in staff training and development, to ensure staff have the right skills, knowledge and experience to deliver our business objectives within the agreed culture and values. Ensuring staff are up to date in the complex and changing operating environment will be critical in the year ahead.
- Undertaking service reviews to ensure that services are delivered in the most efficient and cost effective way and are what our customers require. This will include a full review of our approach to complaints in 2013, taking account of the new regulatory requirements and a Resident Inspector review of our response to anti-social behaviour.
- Completing a major review of customer communication mechanisms and access to services to ensure the best use of staff time and to improve customer service whilst reducing costs. This will include exploring the use of digital media.
- Actively seeking opportunities to share resources and expertise to enhance the services we provide and reduce costs through partnerships and collaborative working.

4. Reducing our environmental impact.

This will include:

- Developing asset management programmes that prioritise increasing the energy efficiency of our existing homes, reducing our carbon footprint and fuel costs for residents. This will include spending £3.2 million on programmes of solid wall and loft insulation, new heating and the installation of solar panels in the coming year..
- Exploring funding to increase the retrofitting of our properties through solar panels, improved insulation, etc. and monitoring the results of such programmes.
- Taking account of eco standards and the use of recycling and renewable components in the development of our new homes, ensuring that customers' understand and benefit from their installation.
- Reducing the environmental impact of our business by recycling as much as we can, by understanding and monitoring our carbon footprint and aiming to reduce it through unnecessary travel and waste, etc.

5. Ensuring that we are financially sound and can effectively fulfil our social purpose.

This will include:

- Developing a culture throughout the organisation of achieving value for money by ensuring that staff understand costs, are financially smart and committed to budgetary management.
- Developing a robust process of self-assessment to evidence value for money and efficiency, in line with the new regulatory requirements, including producing a value for money self-assessment by September 2013.
- Reducing the rent lost through empty properties by introducing a new voids process that reduces re-let periods, taking account of learning from our pilot project.
- Identifying grants and funding streams that could be utilised to maximise income and add value to the services or initiatives we deliver for our customers.

6. Supporting customers through welfare reforms, reducing the impact upon them and the business.

This will include:

- Directing any available resources and ensuring the focus and energy of all staff within the organisation is on mitigating the risks of the reforms to customers and the business.
- Working proactively to mitigate the risks of the reforms and reviewing relevant policies and approaches. A specific welfare reform steering group will continue to oversee the agreed action plan.

- Continuing the major campaign during 2013 to ensure that rent is the first choice for payment for our customers. This is vital given the introduction of direct payment of housing benefit to tenants.
- Targeting our financial inclusion work to provide increased support to tenants who will be most affected by the reforms whilst providing general advice to all customers on money matters and how to reduce household bills. Our main priority this year will be on supporting residents affected by the new under occupation rules.
- Continuing to assess the impact of the welfare reforms and the associated risks to customers and the business. This will include on-going risk assessment and customer insight work as the proposals are introduced.
- Targeting work and our community grant fund to help boost job prospects by providing opportunities for improving skills, employment, volunteering and work experience to tenants most affected by the reforms.
- Improving resident access to online services in preparation for the introduction of Universal Credit. As part of a broader digital inclusion campaign we will better understand customer access and skills and provide web access points through our main office, mobile services and working in partnership with existing IT providers.

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Presented by John Farrar, Chairman of Spire Homes