

# ITEM 10a

## Derby BME Housing Charter

### Introduction

Derby is a city of rich cultural diversity. According to the latest Office for National Statistics (ONS) 2003 Mid-Year estimates, Derby's population currently stands at 233,200, with Black and Minority Ethnic (BME) residents now making up approximately 15% of this total. This large and growing section of our community makes an invaluable contribution to the development, life and growth of the city.

**“Derby City Council is committed to promoting equal opportunities, valuing diversity and tackling social exclusion in everything we do...and to provide appropriate, accessible and effective services and facilities to all sections of the community, without prejudice or bias.” *Achieving equality and valuing diversity: Derby City Council's Equality and Diversity Policy, Derby City Council, May 2005***

We recognise, however, that BME residents in the city are more likely to be living in housing which is unsuitable for their requirements than white residents and often find it harder to access housing services. In response to these issues, in May 2005, the City Council published its BME Housing Strategy, which makes a commitment to providing fairer, more appropriate and more accessible housing services for BME residents.

We further recognise the contribution that BME led Housing Associations can make in achieving the goals set out in Derby's BME Housing Strategy. The 'extra dimension' BME Housing Associations can contribute to the City includes utilising their community links to improve access to services by BME groups; their role in training and employing BME personnel and thus creating economic and social 'capacity' within our BME communities and acting as specialist advisors to mainstream housing providers.

Following the publication of the Strategy, the Housing Corporation published their BME Action Plan 2005 – 2008, which establishes a vision of “increasing the role of BME housing associations within (the) investment programme in recognition of the important role BME housing associations play in meeting BME community needs and in building capacity, leadership and management talent within the housing sector”. This was followed by the Prospectus for the National Affordable Housing Programme 2006-08, which required bidders in areas with significant BME communities, such as Derby, to “bring forward initiatives to work with and through BME associations, where this is an appropriate means of ensuring that they reflect and support the communities they work in and meet their needs and aspirations”. Consequently, in local bidding guidance, Derby City Council specified that 20% of the properties delivered through the Programme should be owned or managed by a BME housing association. This was one of the criteria against which bids were invited and assessed. However, this commitment also requires that the BME housing association can demonstrate added value in the delivery of housing services to BME residents.

The purpose of this Charter is to establish a framework to:

- set out the expected nature of the working relationship between the mainstream housing association, or developer, and the BME association during the development of schemes,
- clarify the City Council's expectations of the service to be delivered by the BME housing association once the completed properties are in management.

It is intended that these relationships will exist not only for Housing Corporation funded schemes, but also those funded from other sources and also affordable housing secured by S 106 Agreements with over 20 affordable units in BME high demand areas.

The outcomes of this Charter will be monitored on a regular basis and reported back to partner and stakeholder organisations, including the Housing Corporation, while the Charter itself will be reviewed, and revised if necessary, over time. By working together the intention is to have a Charter that all organisations can sign up to, representing a set of shared goals and values.

**A. Agreed obligations between BME and other Housing Associations and/or developers to be incorporated within Development Agreements for all schemes involving BME Housing Associations in Derby.**

**1.0 Consultation on Schemes**

- 1.1 Consultation is to begin as soon as a site has been identified.
- 1.2 Consultation at Bid stage should include details of the location of the properties to be owned or managed by the BME housing association, tenure, dwelling type and mix, cost estimates and agreement on grant requirement and rents. Where possible, particularly in large developments, choice should be given to the BME association with regard to the specific location of units within the scheme.
- 1.3 Consultation on the design of the scheme is to take place prior to the submission of the planning application.
- 1.4 The BME association will respond within 2 weeks on consultation issues, or more quickly if circumstances require, unless otherwise agreed.

**2.0 Consultants, Suppliers and Contractors**

- 2.1 The BME association will be consulted on the choice of consultants, suppliers and contractors and any serious objections received will be taken into account in the decision. In line with the Housing Corporation's BME Action Plan 2005-2008, we will expect the choice of consultants, suppliers and contractors to reflect the communities they are working in and that they will have a positive and demonstrable commitment to diversity.
- 2.2 All Collateral Warranties received will be passed on the BME association.

**3.0 The Contract Period**

- 3.1 The BME association should be given proper notice of all site meetings with an invitation to attend.
- 3.2 Quarterly meetings to review progress on the scheme are to be scheduled and progress reports will be issued on a regular basis by agreement between the associations or BME association and developer.

- 3.3 All Variations on the project that affect the BME association's dwellings are to be agreed in advance of issuing the Contract Instruction.
- 3.4 The building contract should take account of any special handover procedures required by the BME association. This should be agreed between the associations or BME association and developer prior to the start of the contract and included within the contract documentation, but must include opportunities for the BME association to be involved in the snagging and inspection of dwellings at handover.
- 3.5 The building contract should take account of BME specification items wherever possible.

#### **4.0 Training and Capacity Building**

- 4.1 Training and capacity building is to be an important part of the Charter and housing associations and developers are encouraged to offer free places to BME housing associations on in-house training courses whenever possible. This role could also include housing associations and developers ensuring that BME housing associations without specific development staff have a good understanding of the development process and the issues involved.
- 4.2 Although capacity building may be by formal means, for example through the provision of in-house training courses, it is also recognised that the role of informal capacity building could be significant.

#### **5.0 Financial Management**

- 5.1 A feasibility budget is to be agreed at bid stage including the calculation of rents at the Housing Corporation's Target Rent figures.
- 5.2 The bid for the BME association's dwellings will be at an agreed grant level.
- 5.3 The BME association is to be informed of all increases in budget costs as the scheme progresses, and should be provided with written updates of budget/cost control at the quarterly meetings.
- 5.4 Interest rates charged should be the actual interest rates at which the housing association or developer is borrowing.
- 5.5 All costs relating to the acquisition and pre-purchase fees are to be split on a habitable room basis.
- 5.6 Build cost to be apportioned by the QS on actual costs for the individual units. Costs relating to the entire development rather than individual dwellings should be apportioned proportionately to the works costs for each association or the BME association and developer.
- 5.7 Abnormal, Section 106 and other fees relating to the works on site are to be split in proportion to the works costs for each association or the BME association and developer.
- 5.8 All costs charged to BME associations are to reflect actual costs and supporting

information from consultants should be provided for transparency when requested. Any savings made during the contract period relating to the BME association's dwellings should be passed on.

- 5.9 Any savings made relating to the entire development rather than individual dwellings should be apportioned proportionately to the works costs for each association or the BME association and developer.
- 5.10 If the contract is liquidated for any reason, the BME association should be informed as soon as possible.

## **6.0 Development and Administration Costs**

- 6.1 The Capital Funding Guide sets out the Qualifying Costs that can be considered for Rent and Sale schemes. They are included in TCI guidance for 2004/2006 and include an appropriate proportion of a housing association's development and administration costs.
- 6.2 Derby City Council is of the view that these development and administration costs should be split between the BME association and the housing association or developer as appropriate. This will recognise that there may be a time commitment required for staff from BME associations, although they will benefit from the implementation of the Charter. The payment method and timing is to be agreed by the parties, although Derby City Council will monitor the outcome of these discussions.

## **7.0 Transfer or Management of Completed Stock**

- 7.1 Where the completed units are to be transferred to the BME association this should take place at practical completion. If they are to be retained, a Management Agreement or a short term lease option requiring transfer of the properties within 2 years is to be entered into, as agreed between the parties.
- 7.2 The information necessary to enable transfer or management to take place is to be provided in reasonable time prior to these dates.
- 7.3 Where properties are to be transferred, the price to be paid is to be actual total scheme costs less SHG, adjusted where necessary to reflect section 106 contributions and/or sales which artificially reduce the grant rate. Each partner is to bear their own costs on transfer, and these costs are to be excluded from the total scheme costs calculation of the transfer price.
- 7.4 In instances where there are multiple landlords managing one scheme then housing management and service contract arrangements should be agreed in advance of handover.

## **8.0 Disputes Procedure**

- 8.1 Any concerns are to be initially discussed at the quarterly review meeting. Should agreement not be reached then the matter will pass to Director of Development/Regional Director level. Should there still be disagreement then the matter will pass to Chief Executive level. If this fails, the dispute is to go to an expert adjudicator agreed between the parties. The City Council is to be kept fully informed of any disputes and how they

are resolved.

## **9.0 Development Agreement**

- 9.1 This section of the Charter is intended to form a framework that details the obligations to be included within individual development agreements. The development agreement adopted should use the format of the Housing Corporation's 'Development and Sales Agreement Relating to SHG Agency Schemes for BME RSLs with Option to Purchase'.

## **10.0 Tenant/Potential Tenant/Community Involvement**

- 10.1 Where practicable, particularly in instances where pre-allocations are made, there should be tenant/potential tenant involvement in the new development at an early stage.

## **B. Expectations of the management service to be provided by the BME Housing Association**

Derby City Council's commitment to meeting the housing and related support needs of BME residents provides a clear role for BME led Housing Associations. Whilst there is a strong expectation placed on developing Associations to work with BME led Associations in the ways already outlined, there is also a strong expectation for BME led Associations to 'add value' to the services provided for BME residents in the City at least as broadly outlined below. We recognise that good, well managed, BME led Associations can and do have a positive effect on the delivery of housing and related support services. We are therefore committed to working with BME led Associations to ensure that their services continue to reflect the needs of the City's BME residents in addition to those of other residents.

We feel that the special provisions we have put in place to support BME led Associations justifies the expectations we place upon them. We will work closely with Associations who find it hard to meet our expectations, assisting them to put measures in place to improve their performance. The Council reserves the right to review the relationship with Associations to ensure that a high quality service is provided to all residents. We expect as a minimum...

### **Overall performance**

- We will expect the maximum applicable green traffic lights to be achieved and will also take into account the Audit Commission Housing Inspectorate reports in reviewing performance.

### **Access to services**

We expect to see:

- Strong use of, and access to, telephone and face to face interpreters for the range of local community languages, including 'newly emerging' communities. We would also expect BME led Associations to have clear mechanisms in place in order to identify opportunities for improved access by BME groups to their services, this should include the involvement of partner agencies where appropriate. In addition, Associations should have widely available translated material, both in hard copy and on the internet as well including translated sentences on correspondence to tenants where appropriate.

- The BME led Association should actively engage with key partners, including community groups from a range of community organisations including newly emerging groups, to identify BME housing need. Robust ethnic minority monitoring systems should be in place to ensure that needs are being met and to identify where gaps in provision exist.
- We would expect effective consultation and feedback mechanisms with all residents and that, in particular, mechanisms for consulting BME residents should be well developed. BME led Associations should work towards having a clear understanding of where there are gaps in the provision of services to BME groups and how these gaps can be filled. We would also expect that the BME led Association is prepared to participate in City wide consultation with BME residents in regards to housing issues.

### **Training, Recruitment and Retention**

We expect to see:

- A comprehensive strategy to recruit, retain and develop high quality BME Board Members and staff. There should also be comprehensive diversity training for all staff.

### **Contractors and Consultants**

We expect to see:

- Encouragement for BME led contractors and consultants to bid for work.
- Support given to developing Housing Association partners in identifying BME contractors and consultants.

### **Leadership**

We expect to see:

- BME led Associations take a full and active part in the development and implementation of the City's BME Housing Strategy, including participation in cross Association diversity training and awareness raising events.
- BME led Associations acting as a sounding board for partners, including Derby City Council, on BME housing issues in the City and to play a full and active part in working with developing Associations in regards to meeting BME housing needs in the City.

### **Preventing and tackling racial harassment**

We expect to see:

- A strong commitment to preventing and tackling racial harassment which should be evidenced in the Tenants Handbook and Tenancy Agreements. We would also expect BME led Associations to be taking a key role in working with partners, including the City Council, to develop City-wide initiatives to tackle racial harassment and give victims information and confidence to report racist incidents.

We are committed to working closely with both BME led Associations and other partners to review these management standards over time to ensure that BME led Associations continue to develop their role in being at the forefront of meeting BME housing need in the City.

## **C. Monitoring and Evaluation**

- 1.0 Derby City Council officers will hold regular meetings with organisations leading on development schemes to ensure that they are progressing according to timetable. One of the standard agenda items for these meetings will be the implementation of this BME Housing Charter.
- 2.0 It is proposed that similar meetings will be held with BME associations, involved as partners in development schemes.
- 3.0 The purpose of these meetings would be to ensure that this Charter is being followed and that developing organisations, their BME housing association partners and the City Council are satisfied with its implementation. This process could also include the carrying out of Customer Satisfaction Surveys, so as to ensure that the expected 'added value' is being delivered.
- 4.0 The outcome of this monitoring will be used in determining whether the City Council will support bids for funding in the future and will also be reported to the Housing Corporation.
- 5.0 The outcomes of this Charter will also be monitored on a regular basis and reported back to partner and stakeholder organisations, including the Housing Corporation, while the Charter itself will be reviewed, and revised if necessary, over time. In this context the Charter should be seen as a living document, which will no doubt change and evolve over time.

## Appendix One

### Derby BME Housing Charter – Performance Indicators

Proposals for the Performance Monitoring of two Black and Minority Ethnic (BME) led Housing Associations (HAs) and two non-BME led Housing Associations, with specific reference to the criteria set out in the Derby BME Housing Charter.

The objectives are to:

- Obj 1 measure the areas where it is expected that BME associations will provide added value.
- Obj 2 demonstrate an ability on the part of the Housing Associations to regularly review and improve services where necessary to ensure that they meet the needs of both existing residents and emerging communities.
- Obj 3 provide a framework for 'continuous' Performance Monitoring, to enable HAs to implement Performance Management in key areas and improve their performance on service delivery where necessary.
- Obj 4 provide a framework for 'continuous' Reporting to all partner and stakeholder organisations – such as DCC and the Housing Corporation
- Obj 5 provide opportunity for comparison of services and dissemination of good practice between BME led and mainstream housing providers.

To enable us to do this, we must first establish the following requirements:

- Req 1 The consent to participate from the two known BME led HAs operating in Derby
- Req 2 The consent to participate from two non-BME led HAs operating in Derby
- Req 3 A baseline for each of the Performance Indicators (PI's) – as at 31/03/2007
- Req 4 Data collection methods
- Req 5 Lines of communication to Derby City Council (DCC) Performance Monitoring Team

Once the baselines of all participants are known, milestones will be established to clearly identify key improvement areas.

Derby City Council will work with the four HAs to establish targets for first year improvements to be starting to be evident by quarter three.

The primary objective is to demonstrate the services provided by HAs towards meeting the needs of current and prospective BME residents, particularly those of BME led HAs in comparison with mainstream Associations in the City. A more qualitative assessment of services will be undertaken towards the end of year one.



## The Performance Indicators

These PI's would be in addition to the new set of PI's agreed for all Housing Associations (copy attached).

The figures relate to the office/ region which provides services for the Derby area (please state the full area identified)

Performance Indicator	Baseline details as at 31/03/2007 Milestones will be set	Commentary
<b>Profile:</b>		
Total number of dwellings		YES
Approximate number of tenants		Need to clarify – primary tenants or residents in household?
% of dwellings housing BME residents		YES
<b>Finance:</b>		
Are you able to identify proportion of budget for BME specific services? Yes/No....If yes:		Need to discuss further; able to identify spend on translation services but difficult for other services
What budgets are used for BME specific services?		As above
Proportion of budget allocated to BME specific services. (PI for each budget head).		As above
<b>Communications:</b>		
Number of tenants whose first language is Urdu, Punjabi or Gujarati		Yes but data not 100% complete at present – do we need to present data on all languages rather than just south Asian?
Number of tenants whose first language is other than English, Urdu, Punjabi or Gujarati		As above
Number of staff speaking at least one of the following languages: Urdu, Punjabi, Gujarati		YES - % of staff may be more useful.

<b>Performance Indicator</b>	<b>Baseline details as at 31/03/2007</b> Milestones will be set	<b>Commentary</b>
Number of staff speaking at least one of the following languages: Urdu, Punjabi, Gujarati		See above
Number of staff speaking at least one language other than English, Urdu, Punjabi or Gujarati. Please state what languages are spoken proficiently by at least one member of staff in the commentary box		Yes, see above
Do you have a policy to decide which documents to translate and into which languages?		YES
Number of languages documentation translated into as standard		Need to discuss these indicators on language translation as currently documents translated on request. However due to forthcoming merger, more translated documents will be available (eg audio files of tenancy agreements)
Number of documents translated into Urdu, Punjabi and Gujarati		See above
Number of documents not translated at all		See above
Total number of documents published on your website		See above
Number of documents published on your website, into Urdu, Punjabi and Gujarati?		See above
Number of documents published on your website into languages other than English, Urdu, Punjabi or Gujarati?. Please state what they are in the commentary box		See above
Does your HA use any form of dynamic verbal translation service, such as Language Line?		YES
Number of users of this service		YES
Number of staff who have received training on this		YES

service		
<b>Performance Indicator</b>	<b>Baseline details as at 31/03/2007</b> Milestones will be set	<b>Commentary</b>
<b>Resident satisfaction:</b>		
Have you undertaken a survey of satisfaction levels among your residents? If so, please state satisfaction levels, response rates and when survey undertaken		YES
Are you able to identify the satisfaction levels among your BME residents? If so, please state satisfaction levels, response rates and when survey undertaken		YES
Have you undertaken any surveys on satisfaction levels with your translation/ interpretation service (including the dynamic translation service if appropriate). If so please state the satisfaction levels and when the survey was undertaken		No specific data available on this although levels of BME specific tenant satisfaction have been surveyed through use of focus groups
<b>Partnership working and Research:</b>		
What research has your organisation carried out into the requirements of BME households?		Need to discuss this section further on what info req'd.
What forums are in place for community group discussion on housing issues?		As above
What community groups are involved?		As above
Frequency of forums		As above
What surveys are carried out among community groups?		As above
Frequency of surveys		As above
What surveys are carried out among tenants?		As above
Frequency of surveys		As above

<b>Resident forums and research</b>		
What forums are in place for your own residents?		YES
Frequency of forums?		YES
<b>Training, Recruitment and Retention</b>		
Does your organisation have a recruitment and retention strategy that encourages the development of high quality BME Board Members and staff?		Need to discuss further as we are a BME association that by its very nature has a high level of BME board members and staff
Total number of staff		YES
Total number of Board Members		YES
Number of BME staff members		YES
Number of BME Board Members		YES
Number of BME staff with more than two years' service		YES
Number of BME Board Members with more than two year's service		YES
Total number of staff who have received diversity training		YES
Number of BME staff who have received diversity training		YES
Number of BME board members who have received diversity training		YES
<b>Contractors and Consultants</b>		
Does your HA have a policy of encouraging BME led contractors and consultants to bid for work?		
Number of BME led contractors or consultants on approved supplier list		YES
Number of contracts using BME led contractors or consultants		YES

<b>Preventing and tackling racial harassment</b>		
What strategies, policies and actions are in place to prevent and/or tackle racial harassment?		YES
What support is offered to sufferers of racially motivated incidents?		YES
Number of racially motivated incidents reported by tenants		YES
Number of racially motivated incidents reported against tenants		YES
Number of racially motivated incidents that lead to further actions, including Police involvement		YES
Have you undertaken any surveys on satisfaction levels with your HAs handling of racially motivated incidents? If so, please state results		YES
<b>Please comment on good practice provided by your organisation at the moment and plans for improving your services for existing communities and emerging communities in the future</b>		