



Derby Homes

Delivery & Business Plan

2007/12

Updated March 2007

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OUR MISSION, VALUES AND THE SERVICES WE PROVIDE

1.1 Derby Homes' mission:

“To provide the people of Derby with the best housing service in the country”

To achieve this, we will:

- provide excellent housing management and maintenance services
- help create and maintain safe places
- coordinate our work with that of other organisations at local neighbourhood level
- support and work with Derby City Council, Government and other stakeholders to help them achieve their aims
- develop innovative practices to improve services
- make a difference to the quality of life on estates
- maintain the Decent Homes standard into the future
- involve tenants and leaseholders in decision making and consulting them on decisions that affect their home, services and environment
- identify and help meet the needs of the diverse communities living in Derby
- be firm but fair with people who have difficulty in paying their rent
- tackle neighbour nuisance and support victims of anti social behaviour
- work with the Community Safety Partnerships, Police, agencies and local organisation together to develop safe and sustainable communities
- develop staff, tenants, leaseholders and Board members and be an organisation where people want to contribute and work
- improve the appearance, security, design and quality of the environment on estates
- use environmentally sustainable methods and materials and increase energy efficiency of homes
- establish a long-term investment strategy for all council estates
- develop a long-term vision for the sustainability of Derby Homes.

1.2 Our Values

Values are clear in everything we do, and how we operate.

We expect our board and employees to follow our core values, these serve as guidelines for our conduct and behaviour as we work towards our vision.

Our core values are:

- Integrity: We are open and honest and we deliver our promises.
- Excellence: We pride ourselves in delivering an excellent service by placing our people - tenants, leaseholders, employees and partners - at the centre of everything we do.
- Learning Organisation: Our individual and collective daily experiences help us to evolve in response to internal and external pressures. We learn from feedback and celebrate success.
- Stewardship: We manage the assets in our care with diligence. Adopting a long- term and ambitious vision for our estates.
- Embrace Equalities and Diversity: Our strength is anchored in the diverse contributions of our board, employees, tenants and leaseholders who all define who we are.
- Innovation: We do not stand still; we inspire our employees to continually seek new and sustainable ways of growing our business.

1.3 About Derby Homes and the delivery of services

The core business of Derby Homes is the management of and investment in Derby City Council's social housing stock, under delegation from the Council under section 27 of the Housing Act 1985:

- housing management of the Council's residential stock, including rent calculation and collection, leasehold management, repairs ordering
- calculation and collection of leasehold charges
- tenant involvement
- financial control of the management fee drawn down from the HRA
- maintenance of the Council's residential stock including asset management planning, preparing and monitoring the investment programme for Estates Pride and major capital works, planned maintenance and responsive repairs through providers and contractors and developing partnering arrangements
- contributing to the Council's Housing Strategy, working in partnership and developing other strategy initiatives, contributing to Best Value Reviews.

Derby Homes is responsible for monitoring Service Level Agreements, ensuring that standards are met and value for money achieved.

Derby Homes also directly provides services to leaseholders of the Council, and to tenants of Walbrook Housing Association.

1.4 Key Achievements of 2006/07

Key achievements in the last year:

- close working with the Community Safety Partnership to establish Neighbourhood Management within the priority neighbourhoods and agreement to lead on three further non-priority neighbourhoods in 2007/08
- funding through Estates Pride for 'cleaner, greener, safer initiatives', this includes an geographic extension of the work carried out by 'Enthusiasm' with young people
- it has been a difficult year in some of the key performance areas and full details are available in the year end performance management report. The implementation of the new housing benefit computer system meant that we failed to meet our targets for rent collection and arrears recovery, however close management of the process limited the impact and we are confident that we can recover our position during 2007/08.
- successfully established a centralised multi-disciplined voids and allocations team which has streamlined processes and improved overall performance
- remodelling of the sheltered housing service moving away from a scheme based service to one of needs led floating support
- implementing ongoing comprehensive service access review, increased use of the enquiry centre, increased use of direct debit and local paypoint service, and a new co-located service at Austin Community Enterprise Centre
- redesign of our website, to include a section for young people and increased number of services available electronically – such as ordering repairs
- improved estate management through systematic inspections, targeted work on most difficult to manage estates, and re-launch of Housing Officer role
- awarded Silver ROSPA for Health and Safety
- retained Charter Mark status
- retained Investors in People status
- achieved ISO9001 accreditation
- awarded Silver ROSPA for Health & Safety
- working with tenants and leaseholders we re-tendered the responsive repair and maintenance contract which resulted in it being re-awarded to Environmental Services Department
- again working with tenants and leaseholders re-tendered the grounds maintenance contract and awarded the contract to Vale Contracts
- staff survey results showed that overall satisfaction with Derby Homes as a landlord has increased from 75% to 82%
- introduced Equality Impact Assessments across key services
- signed up to the Respect standard for housing management and are the leading city housing organisation on implementing initiatives to meet the standard
- successful partnership working has resulted in government grant funding to develop a Family Intervention Project within the city
- organised cultural events to celebrate Diwali, Eid and the Chinese new year which increased awareness of employees, tenants leaseholders and partners.

2. DEVELOPING THE DELIVERY AND BUSINESS PLAN

2.1 Role of the Plan

The Plan sets out our strategic aims and operational targets, and how we will deliver them. It takes account of our stakeholders' interests and concerns. By setting priorities and making choices, it gives a clear direction to all those involved in Derby Homes. We will use it as a live document to stretch our organisation to deliver excellent services.

The Plan is updated annually by Derby Homes and formally approved by Derby Homes Board and the Council Cabinet.

The Plan explains the services provided by Derby Homes to the Council in return for the annual management fee, and the framework within which those services are delivered. It sets performance targets including Best Value Performance Indicators and local indicators. The Board is responsible for approving the Plan on behalf of the Company and for ensuring that the services are delivered and targets are met.

2.2 Consultation

Listening to our residents is fundamental to our way of working. Our tenants' compact 'Tenant Involvement Agreement' sets out how we consult, engage and seek feedback with residents on a wide range of issues about the services that we provide.

- our residents are regularly consulted on housing management matters through meetings of local Community Panels, Derby Association of Community Partners - DACP - meetings, Derby's Tenants Federation, process improvement teams and other working groups
- our Annual General Meeting in October 2006 gave the opportunity for residents to discuss the services we deliver with our Board and members of staff, and to highlight concerns they had. Over 100 residents and tenant representatives attended, giving positive feedback particularly about the Decent Homes programme and our Anti Social Behaviour and opportunities for involvement.
- in October 2006, we carried out a full Status Survey of tenants and leaseholders, asking them for their views about the service we provide and their priorities for their homes and the area they live in. Pleasingly overall satisfaction increased to 81%, with exceptional feedback on the repair and maintenance service. We have analysed the findings and have shaped the priorities for actions and key activities within this plan
- annually we ask our tenants to identify their top priorities for delivery; they consistently indicate that the areas they are concerned with are:
 - improving feedback and communications on anti social behaviour cases
 - modernising the repair service and standards of grounds maintenance

- inspections of vacant properties
- increasing use of appointments for repairs and other services
- speedy response to applications for rehousing.

We have consulted on the content of this Plan with tenant and leaseholder representatives from Panels and DACP - and have received feedback.

2.3 Workshops/events for staff

Events involving all our managers and staff, are held on a quarterly basis. These focus on how we can deliver our mission, explaining changes in services and procedures discussing what might be the practical obstacles to achieving it, generating ideas for how these can be overcome.

2.4 Context and challenges that we face

There are a range of factors affecting us in 2007/08. These include government policy, legal requirements and the financial framework we operate in. There are also local issues affecting our priorities this year. In developing this plan we have reviewed the service environment in which we operate, through a PEST and SWOT analysis; these are shown in full as Appendices 7 and 8.

2.5 Critical issues facing Derby Homes and affecting our work:

- during the previous year, new contracts were started for the day to day repairs, grounds maintenance and building cleaning. The monitoring of these contracts will be carried out in close consultation with residents and we will aim to improve the quality and value for money of the services
- it is hoped that during this year Derby Homes will start to build new homes, on land provided by the Council, in partnership with development companies
- we will sign up to the Council's commitment to reduce carbon emissions, and follow a Derby Homes environmental policy towards this goal
- the latest Housing Revenue Account, business plan and financial model remains robust in the short term but faces increasing pressures over time and will require careful financial management and continued value for money improvement
- an integral part of the HRA business plan and financial model is the assumptions around asset strategy and investment needs. A new asset management strategy has been written to ensure decent homes are maintained into the future. We will develop an ambitious strategy, that is not constrained by available resources, to establish the gap between what we should be doing and what we are able to do within existing financial constraints. We will discuss with the Council this funding gap, and explore options for funding it
- during this year we will aim to extend the Enquiry Centre to take 100% of all customer calls from tenants and leaseholders

- it is hoped that the outcomes of the current Government review of the HRA subsidy system will bring us greater clarity on the long term future of ALMOs. We aim to make sure we contribute fully to the ongoing debate and eventual conclusions
- Derby Homes fee income is reducing as right to buys and demolitions reduces the number of properties managed, and because of reductions in Supporting People grant. There is a need to seek alternative sources of funding through new business
- the Government has published a 'Respect' agenda for tackling anti-social behaviour (ASB). This will continue to be a critical strategy for Derby Homes to lead on together with the Community Safety Partnership and other landlords in the city. During this year we will lead on the creation of a Family Intervention Project, to reduce ASB from the most prolific ASB families in the city
- we will retain and build the excellent organisation reputation of Derby Homes among tenants, leaseholders and other residents of the city, and among other housing organisations, contractors, agencies and Government
- we will complete the review the future of category 2 schemes that are not fit for purpose. We will work together with the Council to open an extra care scheme in the city
- we need to ensure the Council's new allocations policy meets the needs for tenants with children in flats, and allows discretion so that estates remain sustainable and places where people want to live
- we will continue to give priority to our IT strategy, with a new finance system, expanding the use of the website and starting on the Intranet, and implementing the results of the market testing of housing management software system
- we will co-operate fully with the Council's neighbourhood management agenda, in order to improve the quality of life on estates. This will require close working with Community Panels and the Derby Association of Community Partners
- we will continue to improve the Governance rules of Derby Homes to ensure Board Members time and skills are put to best use
- we will learn from the staff survey carried out in 2006, and try to improve morale amongst staff
- we will learn from the customer satisfaction survey carried out in 2006, and improve our services and the neighbourhoods we work in.

2.6 Wider strategic priorities and partnership working

The City Council's Corporate Plan 2007/2010 sets out the Council's key priorities for improvement.

The table below shows the priorities and demonstrates how Derby Homes will contribute to these priorities.

Contributing to the Council's Corporate Priorities 2007/2010	
MAKING US PROUD OF OUR NEIGHBOURHOODS	<ul style="list-style-type: none"> • Estates Pride Programme. Asset Management
CREATING A 21 st CENTURY CITY CENTRE	<ul style="list-style-type: none"> • Excellent Customer Services
LEADING DERBY TOWARDS A BETTER ENVIRONMENT	<ul style="list-style-type: none"> • Environmental Improvements Strategic Objective
SUPPORTING EVERYONE IN LEARNING AND ACHIEVING	<ul style="list-style-type: none"> • Investing in People Organisation. Excellent Customer Services
HELPING US ALL TO BE HEALTHY, ACTIVE AND INDEPENDENT	<ul style="list-style-type: none"> • Investing in People Organisation. Environmental Strategic Objective
GIVING YOU EXCELLENT SERVICES AND VALUE FOR MONEY	<ul style="list-style-type: none"> • Excellent Customer Services. Value for Money

The Council's Housing Strategy sets out the main priorities for housing across all tenures in Derby. These priorities provide a framework of collaborative working to meet the needs of our communities and deliver housing services. It accounts for policy at national, regional and local level, particularly reflecting and contributing to the corporate priorities explained below. The Delivery and Business Plan in turn contributes to key priorities within the Housing Strategy.

Delivering Priorities from the Derby City Council Housing Strategy	
Derby City Council	Derby Homes
Housing Strategy Priority	Delivery and Business Plan Strategic Initiatives
Delivering excellent housing services	Excellent customer services Investors In People organisation Performance Management Culture Value for Money Strategy
Creating sustainable communities	Delivery of Estates Pride Working closely with partners to reduce crime and disorder issues on estates
Supporting Neighbourhood Management Creating and maintaining decent homes across all tenancies	Working in partnership to deliver neighbourhood services Meeting housing needs Building new ALMO houses Re-housing in accordance with Council allocations policy Capital and revenue repairs and developing work in private sector

The Council is committed to neighbourhood management in priority areas. These have relatively high concentrations of social housing, including homes under Derby Homes management. It is the Council's aim to improve both quality of life and opportunities for citizens by investing in the city's infrastructure and social fabric. Derby Homes has made a leading and active contribution, which has brought clear benefits in reducing crime and disorder in specific areas of the city, particularly Sinfin, Derwent and Austin. This approach links up agencies of enforcement, housing management, the police, environmental health services and community protection, to develop and co-ordinate their actions. The approach is based on sharing information and ensuring that activity is effective and responsive. We will ensure that we continue to work to deliver its aims for residents, through this and other partnership approaches.

The Local Public Services Agreement - the LPSA - is an agreement between the Council and the Government under which the Council commits to delivering specific stretched performance improvements in return for financial rewards and statutory and administrative freedoms. Derby Homes contributes to the following LPSA targets

- achievement of decent homes standard in Council housing
- promoting independence, providing protection.

Derby City Partnership is the Local Strategic Partnership for Derby, bringing together all agencies and sectors to work together to improve the future of Derby. The principles of partnership working underpin all of the above activities and will be a central element in the future works of Derby Homes. The following are some of the clear areas of partnership activity that benefit our residents and the wider community.

- Community Safety Partnership is attended by Chief Executive
- Older People's Forum, is attended by sheltered housing staff, and Derby Homes helps to fund Liberation Day for Older People on an annual basis
- support for youth inclusion work such as Enthusiasm and Derby Youth Service
- support for range of young people's activities, such as support for enterprise curriculum initiatives in schools.

3. Strategic Objectives for 2007/12

The strategic objectives and related initiatives for Derby Homes for 2007/12 are set out below. The initiatives outlined will form part of our Service Improvement Plans and the Consolidated Improvement Plan. Our progress against targets is monitored by Derby Homes Executive and reported to the Performance Management Committee.

STRATEGIC AIMS & OBJECTIVES – Showing Changes

3.1 Estates Pride Programme

Objective

To improve the popularity of council estates by delivering the Estates Pride programme 2006-11 on time and on budget, achieving excellent value for money and excellent levels of customer satisfaction.

Initiatives

- Development of long term sustainable and affordable investment and maintenance plans for our estates.
- Agree spend priorities that deliver real long term benefits that make a difference.
- Partnership working with Community Safety Partnership to deliver cleaner, greener, safer initiatives in priority areas.
- Commitment to delivery of a schedule of improvements by March 2011.
- Increase profile of estate management and housing officer patch role.
- put additional resources into supporting vulnerable tenants.

Importance of this work

- Work to deliver Estates Pride significantly adds to the quality of life of residents and improves the stock. It is also essential that effective delivery processes are put in place and value for money is obtained in this substantial programme of work. Estates Pride plays a part in the regeneration of neighbourhoods and is a high priority for our tenants and leaseholders. Customer satisfaction surveys have identified a clear correlation between the overall satisfaction level of tenants and leaseholders and their views about the area where they live.

Targets

- Cleaner, greener, safer neighbourhood teams in place by September 2007 and operating effectively in the first year.
- Complete the Estate Pride Year 2 programme on target and on cost by the end of March 2008
- Improve response to requests from local boards for small scale environmental improvements by ensuring all are completed within 3 months during 2007/08.
- Reduction in crime, ASB and fear of crime in line with Derby City Partnership targets for 2007/08.
- Increased customer satisfaction levels with neighbourhoods measured by feedback from 3 yearly survey..

3.2 Asset Management

Objective

- To maintain all council houses at Decent Homes Standard, and to deliver value for money and high levels of customer satisfaction.

Initiative

- Use the asset management strategy to ensure the decent homes standard is maintained and that investment decisions made help create sustainable communities.
- Master planning in pre-war housing estates in Derwent and Osmaston.
- Development of modern efficient maintenance service with modern procurement methods.
- Implement review of category 2 sheltered housing schemes.

Importance of its work

- It is important that the Decent Homes Standard is maintained into the future. The reduction in the level of resources available for this means that we have to achieve maximum efficiency in delivering future investment programmes.

Targets

- Implement initiatives agreed by the Partnering Core Group to continuously improve the repair service key performance indicators during 2007/08.
- Publish revised repair service with clearly defined service standards by September 2007.
- Implement central England procurement strategy by August 2007.
- Effectively monitor customer satisfaction and achieve continuous improvement during 2007/12..
- Achieve balance between Planned and Responsive repairs target of 40/60 ratio by September 2007.
- Maintain Decent Homes Standard through to 2011.
- Implement collaborative working arrangements with other housing organisations to achieve new business, 100 customers in 2007/08.
- Commission new provision of extracare facilities for sheltered housing by March 2008.

3.3 Investing in People Organisation

Objective

- To be an excellent organisation. Generating success for Derby Homes and residents by helping board members and employees to give their best, enabling them to work across boundaries, developing their skills.

Initiatives

- Ensure the employees of Derby Homes have a wide range of skills and experience through the delivery of our comprehensive training and development strategy.
- Encourage input from staff through team meetings, away days, updates, staff conference and generating a wide range of views and ideas fed into the action plans of the organisation.
- Effective communication with staff and staff representatives.
- Induction programme, away days, training programmes and appraisals planned for 2007/08..
- Develop a communications strategy which will embrace internal and external communications including clearly defined protocols around consultation.
- Agree action plan following staff survey by June 2007.

Importance of this work

- Staff have a central role in the delivery of our services and we will only succeed as a service organisation through our staff. To this end we aim to ensure we develop a positive workforce.

Targets

- Retain IIP through 2006-11 to include the work life balance standard.
- Improve level of staff morale as measured by two-yearly staff surveys compared with results of 2002 and 2006 surveys to produce action plan by September 2007.
- Levels of attendance to be below the BVPI targets of 9 days absence during 2007/08.
- Attain ROSPA gold award by 2008 and retain 2009-11, and support effective working of the staff Health and Safety forum.
- Employ a workforce that is representative of the community we serve by achieving targets for employment of groups 2006-11.
- Creation of communications strategy by September 2007.

3.4 Excellent Customer Services

Objective

- To provide excellent customer services, build on our knowledge of customer needs and continuously improve our services.

Initiatives

- Ongoing implementation of the service access review.
- Continue to develop the concept of Process Improvement Teams as a tool for improving services.
- Ensure successful learning from complaints is extended to learning from all customer feed back as part of new 'complaints, comment and compliments' procedure easily accessible through the Enquiry Centre
- Continue centralisation and roll out of new customer satisfaction surveys.
- Extend services offered by the enquiry centre.
- Re-launch and promote the benefits of Derby Homes Rewards Scheme.
- Continue to deliver the requirements of the Respect Agenda in partnership with the Community Safety Partnership and other landlords in Derby.

- Train staff on new Customer Service Strategy and Standards.
- Continued development and promotion of a more choice based approach to increase involvement of 'hard to reach' groups.
- Continue development of the website to improve on-line customer service.
- Increase range of opportunities for residents to influence services through greater use of technology to increase involvement of 'hard to reach' groups.
- Decentralisation and integration of Neighbourhood Safety staff within housing teams and streamline processes in conjunction with local partners by October 2007.
- Implementation of Family Intervention Project.
- Increase Derby Homes profile within the community through partnership working with Derby City Council and residents to re-launch Chaddesden Carnival as Derby East Carnival.

Importance of this work

- Derby Homes wishes to be an excellent provider of services. New ways of measuring performance in this area will ensure continuous improvement. New systems are being put in place which will help us to be more responsive, track our progress and learn from what our customers tell us.

Targets

- Complete co-location of Alvaston housing services to the library by September 2007.
- Maintain comprehensive surveys covering all key services by October 2007.
- Improved complaints process and reporting by March 2008.
- Evidence of customer and officer involvement in all service developments 2007/08.
- External accreditation of Housing Management Standard across Derby under the Respect Agenda by December 2007.
- Work in partnership to develop and deliver the Derby Family Intervention Project by July 2007.
- Maintain responsive repairs performance by increasing the number of works carried out by appointments to be increased to 65% by September 2006 and 80% by March 2007 and a system to be introduced to increase the number of repairs carried out at first visit by July 2006.
- Implementation of new floating support service within Sheltered Housing by March 2008.
- Carry out training on the newly published Customer Service Standards during 2007/08.

- Develop action plan from status survey feedback by May 2007.
- Implement Enquiry Centre extension of services to take ownership of all unsolicited calls to Derby Homes by December 2007.
- Obtain customer feedback on satisfaction with services provided by the Enquiry Centre and publish outcomes during 2007/08.
- Increase hits to website by 50% by March 2008.

3.5 Value for Money

Objective

- To provide excellent services by embedding a culture of value for money throughout the organisation to ensure that we meet the needs of all of our customers.

Initiatives

- Implement procurement strategy.
- Implement workforce efficiency strategy.
- Embed the principles of the Gershon Agenda in short term budgeting and long term financial planning.
- Contribute to Council's statutory Annual Efficiency Statement obligation.
- Development of benchmarking with internal and external partners.

Importance of this work

- The delivery of excellent services will be achieved by considering the balance between cost and quality. Achieving value for money will create a sustainable Derby Homes and Housing Revenue Account.

Targets

- Continue to bed in VFM recommendations identified in re-inspection report during 2007/08.
- set operating budget 2008/09 bearing in mind the Business Plan update for 2008/09, production of IT finance strategy by April 2008 and incorporating annual process improvements and contribution to AES process.
- Procure building cleaning service by July 2007 and introduce an annual procurement process for key services by August 2007.
- Publicise facts and figures on value for money and market to Board members, staff, tenants and leaseholders before April 2008.

- Develop benchmark techniques and introduce a programme of comparison with external partners from December 2007.
- Increase the levels of consultancy work carried out in 2007/08.

3.6 Equalities and Diversity

Objective

- To continue to promote equal opportunities and valuing diversity.

Initiatives

- Introduce Equalities plans for race, disability, gender and age.
- Implement Equalities Impact Assessments.
- Improve target setting and monitoring.
- Train all staff and contractors on Equalities.
- Collect comprehensive customer profile information.
- BME housing project North of City.

Importance of this work

- Derby Homes needs to meet the needs of all communities in Derby, and to have an excellent reputation for supporting all groups to meet housing needs

Targets

- Agree targets and establish quarterly and annual reporting process with Performance Management Committee by July 2007.
- Introduce service standards by September 2007 and meet timescales in the delivery of aids and adaptations in 2007/08.
- Meet all targets for staffing – for BME and women, senior managers and men in lower grades by 2008.
- Achieve customer profiling information for 80% of tenancies by March 2008, and use information to inform business plan processes for 2008/09 review.
- During 2007/08 ensure that % of BME tenants rehoused reflects the % of BME applicants on housing register.
- Organise at least 3 events to celebrate cultural diversity during 2007/08.

3.7 Secure long term future for Derby Homes

Objective

- Ensure the longer term sustainability of Derby Homes by demonstrating successful performance, developing the business and securing from the Government new freedoms and flexibilities.

Initiatives

- Continue with leadership role in NFA at Board and Midland level.
- Use the Business Plan mission statement and strategic objectives as the framework for future business development.
- Communicate effectively with tenants, leaseholders and staff on decisions affecting Derby Homes future.
- Work to Finance Plan 2007-11 to achieve sustainable levels of income, expenditure and staffing.
- Co-operate with Department for Communities and Local Government's freedoms and flexibility review.
- Address weaknesses highlighted in 2006 Audit Commission inspection report.
- Develop positive relationship with the Council as our owner by achieving targets and managing services and finances.
- Manage the business risks and improved performance through Committees of the Board.
- Action plan for long-term future of Derby Homes based on consultants report considered at Board away day January 2007.
- Further develop governance of Derby Homes through Governance Committee
- Enhance reputation of Derby Homes through building effective relationship with the Council, other partners and the local media.

Importance of this work

- Long-term business sustainability will enable us to develop and improve our services and reputation in the future.

Targets

- Successfully re-negotiate Management Agreement by July 2007.
- Improved customer satisfaction with landlord services in status surveys through 2007-11.
- New build programme on site by December 2008.
- Increased private sector and RSL business by 100 new customers a year through 2006-11.

- Monitor Freedoms and Flexibilities pilots and produce Derby shadow figures within one month of publication of outcome of pilot.

3.8 Working towards a Sustainable Environment

- To reduce the environmental impact of our activities directly as an organisation and indirectly through the actions of our suppliers, partners, and customers, to reduce both carbon emissions and running costs.
- To ensure that our actions reduce our carbon emissions through direct running costs and through the use of long term sustainable products.

Initiatives

- To work with Derby City Council to help them achieve a 25% reduction in CO2 emissions within 5 years.
- Develop a transport plan for Derby Homes to identify green travel options for staff.
- Following the Derby City Council methodology measure the Carbon Footprint of our buildings (Local Housing Offices and Cardinal Square)
- Develop one un-modernised pre-war property using the energy efficient products. We will compare the old and new carbon footprint and develop the model for future.
- Continue to develop Whitecross House scheme as an environmental model, communal electricity already in place, apply for grant funding to support the installation of solar panels and other forms sustainable power generation
- Develop a preferred supplier initiative.

Importance of this work

As an organisation the long term sustainability of our residents estates is central to our success and leading Derby towards it's initiative of a better environment. Key to this success is the reduction in environmental impact of our activities. By reducing running costs as an organisation and for individual homes we can contribute towards reducing the financial costs incurred by our tenants whilst being mindful of the long term benefits of helping to create a cleaner environment.

Targets

- BVPI 63 –to achieve an increase in the average SAP rating of our properties to a score of 70 by the end of 2008/09.
- To establish the standard required to achieve a SAP rating of 90-100 by modernising a pilot pre-war un-modernised property during 2007/08..
- Raise staff and employee awareness by a publicity campaign and by upgrading the Derby Homes website by July 2007.
- Write a green travel to work plan by October 2007 and to achieve a reduction in work time car mileage.

4. GOVERNANCE AND MONITORING ARRANGEMENTS

4.1 The role of the Board, Area Boards and Committees of Derby Homes are clearly defined in the written Constitution. The Board is responsible for monitoring the performance of the Company and delivering this Business Plan.

4.2 Relationship between Derby Homes and Derby City Council

The formal relationship between the Council and Derby Homes is set out in the Management Agreement.

A Housing Revenue Account Strategic Working Party – HRASWP - meets bi-monthly. Members and Officers from the City Council and Derby Homes attend and jointly make strategic decisions about the long-term future of the HRA.

There are practical arrangements for working together at operational level. The Council's Housing Strategy team ensures good liaison on policy issues. Regular, scheduled meetings take place, involving senior managers of the Company and the Housing Performance Manager. There is also day-to-day contact between individual officers on specific issues.

4.3 Derby Homes Constitution

Derby Homes has a board of 15 Board members who are the legal Directors of the Company. Four Board members are elected by tenants, one by leaseholders. Five members are nominated by the Council and five Independent Board members are recruited by the Board and appointed by the Council. The role of the Board is to set policy to deliver the initiatives and

improvements set out in this plan through strategic, operational and financial management.

The Local Housing Boards, North and South consist of tenant and leaseholder members from 15 Community Panels and main Board members. Their main role is to make key decisions on front line services, monitoring and agreeing improvement of housing services within their area.

The Resources and Remuneration Committee advises the Board on all financial and staffing issues and to make decisions on salary and remuneration issues.

The Performance Management Committee advises the Board on performance issues of concern.

The Development and Regeneration Committee oversees the strategy on new build, regeneration and redevelopment.

The Audit Committee, operating independently of the Board, ensures proper financial operation of the organisation and oversees internal and external audit processes.

4.4 Constitution review

During 2005, we reviewed our constitutional arrangements. The objective was to strengthen the organisation, to ensure effectiveness and compliance with best practice. We reviewed the role and structure of the main Board, its Committees, and the Local Boards. We also improved delegated powers, redesigned reports and agendas, and developed the role of Board members through appraisals, setting competencies and a training programme. Through 2006/07 we believe that these changes have strengthened the governance of the organisation and delegated more authority to the local housing boards.

In order to continually improve we created the Governance Services Sub Committee in 2006 to systematically review all areas of the governance structure and ensure ongoing evaluation and improvement.

4.5 Performance Monitoring

There are three main types of monitoring carried out by Derby Homes:

- performance monitoring
- financial monitoring
- risk management.

The table below shows the monitoring carried out and frequency. Performance information for each area against all key performance indicators is collected in monthly bulletins or quarterly performance reports enabling analysis of performance at local and city-wide level. Details of the performance indicators used are shown in Appendix 2.

The Performance Management Committee is supported by a Performance Management team. The role of the Committee is to monitor performance against key indicators and the achievement of the Strategic Initiatives.

Council scrutiny of Derby Homes' performance

A quarterly report on performance is presented to Council Cabinet. Critical performance indicators are reported on quarterly within the Housing Strategy Unit. The DCC Housing Performance Manager has discretion to request a full report from Derby Homes on any issues of concern.

At the end of each year the Board and the Housing Performance Manager receive an Annual Report of the year's performance compared with the targets set.

Performance Framework

Forum	Frequency	Purpose	Output
Derby Homes Executive Team	Monthly	Strategic management and monitoring	Minutes and actions to Executive team
Derby Senior Management Team	Fortnightly	Performance and Financial Monitoring	Minutes and actions to Senior Management team. Core briefing to all staff.
Team Meetings	Monthly	Discussion of relevant performance issues and core briefing note.	Team awareness and action planning
Agreement Monitoring Meeting DCC/DH	Quarterly	Joint strategic and working issues	Minutes to Council and DH. Approvals list progressed
Derby Homes Board	Bi monthly	Discuss policy issues, issues referred by Area Boards, exception reports on performance	Performance reported to Overview and Scrutiny
Local Boards	Bi monthly	Review operational performance	Report to main Derby Homes Board
Derby Homes Board Performance and Audit Committee	Quarterly	Monitor financial performance, performance indicators and Combined Plan progress	Exception reports to Derby Homes Board

Council Overview and Scrutiny	Bi-annually	Monitor progress of Housing Business Plan including key Derby Homes performance indicators	Power to call in Derby Homes to discuss any concerns
Council Housing and Advice Services and DH Board	Annually	Discussion of strategic issues and Combined Plan	Discuss Combined Plan and joint working targets
Financial Liaison Meeting	Monthly	Monitor financial performance, performance indicators and Combined Plan progress	Discuss Financial Plan and joint working targets

5. FINANCIAL FRAMEWORK

5.1 Introduction

The financial strategy outlined in paragraph 5.6 sets out how Derby Homes will address long-term financial sustainability. The plan integrates with the HRA business plan.

5.2 HRA Business Plan

Derby Homes is responsible for significant input into the review and development of the HRA Business Plan. We will:

- contribute to the preparation of the HRA budget each year in a format specified by the Council
- assist with preparation of the HRA capital funding schedule and HRA capital programme
- be responsible for preparing and submitting specified parts of the HRA subsidy returns / claims for 2007/08 and beyond
- provide support and assistance to the Council in the preparation of the annual Housing Investment Programme HIP bid and supporting the requirements of the 'Fit for Purpose' status
- prepare other statistical returns and claims for the HRA.

5.3 Service Standards in 2007/08

Derby Homes will comply with professional Accountancy standards and the requirements of the Companies Act.

5.4 Delegation Scheme

Derby Homes will publish accounts in accordance with Companies Act requirements. Derby Homes will comply with the Services Agreement and provide information as required by Derby City Council and in accordance with agreed timescales.

We will comply with the Council scheme of delegation in respect of contractual commitments administered on behalf of the Council.

5.5 Working in partnership

Nominated Council and Derby Homes Officers will liaise when preparing the:

- annual HRA revenue budget
- capital expenditure programme
- funding statements
- HRA Business Plan
- HRA Subsidy Claims
- HIP bid
- any other submissions to DCLG

Key information is provided in the following appendices at the end of this document.

- 3 Financial Plan timetable for 2007/08
- 4 Housing Revenue Account for 2007/08
- 5 HRA Capital programme for 2007/008

5.6 Derby Homes Financial Strategy

Derby Homes produces a 5 year long-term financial strategy which is reviewed and updated annually.

The Company faces significant pressure on income over the next few years and must take action now to achieve a balanced budget over the period of the finance strategy. Pressure on income arises from:

- reduction in Housing Revenue Account base fee through Right to Buy property sales and demolished properties
- reduction in fee owing to a reduced Capital Programme
- reduction in Supporting People grant owing to a review by the Council's Commissioning team leading to significant remodelling of the service provided
- reduction in other grant income.

The total turnover anticipated in the financial plan for Derby Homes, including provisional fee indications reflected in the HRA by the Council, inflation increases, other increases and the reductions identified are shown below:

	2007/8	2008/9	2009/10	2010/11
	£'000	£'000	£'000	£'000
Base Income	14,643	14,324	14,390	14,594
Inflation	389	380	411	416
Adjustments	(460)	(216)	(94)	0
Volume Reductions	(248)	(98)	(113)	(123)
TOTAL	14,324	14,390	14,594	14,887

The turnover assumptions included in the financial strategy lead to pressure on operating costs of the business in each year of the model. These are summarised in the table below:

Pressure	2007/8	2008/9	2009/10	2010/11
	£'000	£'000	£'000	£'000
Volume Cost Reductions Required	194	26	255	59
Other cost reductions required to balance	517	527	(38)	76
Cost Reductions to be identified	711	553	217	135
Employee Cost Savings	576	468	137	25
Other Cost Savings	135	85	80	110
TOTAL	711	553	217	135

The actions to balance will be achieved by the following initiatives

- Value for Money action plan emerging from benchmarking and the re-inspection report
- Continuous review of Support Services provided by teams within Derby Homes and through services procured from the Council
- Budget and Human Resource management
- Building on Excellence group managing implementation of the continuous action plan and focusing on:
 - Review of service access
 - Procurement and Value for Money
 - Information and Communication Technology ICT
 - People and Performance
 - New Business
- A revised Services Agreement increasing trading opportunities and operating from April 2007 to March 2012.