

AGENDA ITEM: 7a



**HRA Reform Project Dashboard – August 2011
Phase 1: Policy & Priority & Development of Outline Business Case**

Status Of Project		Last Report	This Report	Comments
HRA Reform – Phase 1		G	G	
Status by Key Project Activities for Phase 1	Workstream Lead	Last Report	This Report	Comments
1. Treasury Management	Maggie Hammond	G	G	
2. Data Checking	Fiona Gudge	G	G	
3. Financial Control & Reporting	Paul Fitzgerald	A	G	
4. Affordable Housing	Martin Daly	A	G	
5. Policies/Best Practice	Martin Price	G	G	
6. Income Management	Stephen Boland	G	G	
7. Business Plan	Stephen Boland	G	G	
8. Stakeholder Engagement	Martin Price	G	G	
9. Assets	Phil Webb	G	A	Issues with data quality within Codeman system, data quality validation exercise under way.
10. Baselineing/Benchmarking	Stephen Boland	G	G	

Key	
Red	Unsatisfactory progress – milestones & timescales not being met corrective action or re-plan required
Amber	Issues against some milestones but remedial action will keep project under control overall
Green	All milestones being met & project on target/completed

Key Accomplishments LAST Period
<p>Treasury Management –</p> <ul style="list-style-type: none"> List of borrowing options report was shared with the project team. Maggie Hammond attended a meeting with Investment Bankers, Goldman Sachs who shared their thoughts on borrowing options for the HRA. <p>Financial Control & Reporting –</p> <ul style="list-style-type: none"> HRA coding structure is on track but full implementation may be delayed 1-2 weeks as widespread agreement to proposed changes cannot be completed until after the holiday period. SAP codes have now been mapped to national reporting requirements, which will strengthen internal usefulness of reporting and enable quick and cheap headline – level benchmarking. HRA coding structure has been tested against SAP reporting facilities and is proving robust and quick to produce. <p>Affordable Housing –</p> <ul style="list-style-type: none"> Obtained sufficient information to GIS map some potential HRA assets that are ‘earmarked’ for housing association redevelopment in

the next 2 years.

Income Management –

- Policies research undertaken.

Stakeholder Engagement –

- HRA Reform project consultation has been linked to HRA Business Plan consultation

Baselining/Benchmarking –

- Data collection Form (DCF) 100% complete and submitted to Housemark on time.

Business Plan –

- Cathy Osborn provided briefing sessions on the project and business plan to Councillors and Community Scrutiny.

Key Activities NEXT Period

Treasury Management –

- Enhance list of borrowing options report to give further details of some options and clarity over costs.
- Circulate the borrowing options report to the Tenant Services Management Board and Members Change Steering Group.

Treasury Management –

- New HRA coding structure to be tested with users to identify any further development required, which can be quickly implemented within 1-2 weeks.
- HRA balance sheet will be reviewed against national developments in 'component accounting' in preparation for 11-12 reports.

Affordable Housing –

- Obtain views on mapped HRA assets about sites from Capital Asset Manager, Economic Development Specialist, Development Management Lead and Project Taunton to consider open market/best value considerations, and potential for alternatives income generating uses (e.g., open market housing, employment, retail, leisure etc) as well as site utilization and local knowledge about the sites that have been GIS mapped.
- Obtain sufficient information from Enabling Lead to GIS map missing HRA assets on Oxford Inn, small areas of HRA land, and two (unnamed) HRA schemes totaling 56 units of accommodation, together with any further information not yet supplied on HRA assets for redevelopment.

Income Management –

- Begin formulating draft policy documents and circulate early drafts to project group in September.

Business Plan –

- Undertake a stock validation survey.
- Stakeholder engagement events to be held on the 15th September 2011.

Stakeholder Engagement –

- Introduce project briefings via the Core Brief and Frequently Asked Questions.

Baselining/Benchmarking –

- Housemark to provide a report in November 2011 on data submitted.

Issues

Treasury Management -

- If information in the list of borrowing options, including rates, changes significantly it has an impact on the financial business plan.

SWOT analysis carried out with HRA reform project board 2nd August 2011

Strengths	Weaknesses
<p>Resident perspective and involvement.</p> <ul style="list-style-type: none"> • High tenant satisfaction levels (Top Quartile) • Some service standards and local offers agreed with tenants. • Tenants views – good standard of investment delivered to date • Tenant Services Management Board established and working effectively and linked to Council decision making. • Strong demand for properties • Good track record of tenant consultation has produced clear information on tenant priorities <p>Process</p> <ul style="list-style-type: none"> • Rent collection (low arrears levels) • New ASB arrangements producing positive results <p>Stock investment</p> <ul style="list-style-type: none"> • Decent Homes standard achieved • Percentage expenditure on emergency/urgent repairs low <p>Staff</p> <ul style="list-style-type: none"> • Performance score card and staff performance management systems • Committed workforce <p>Governance</p> <ul style="list-style-type: none"> • Strong governance – good level of member understanding before decision making <p>External</p> <ul style="list-style-type: none"> • Good reputation as local housing provider among tenants and other stakeholders <p>Other Council actions linked to housing</p> <ul style="list-style-type: none"> • Priority area strategy targeting resources at areas of high deprivation 	<p>Resident perspective</p> <ul style="list-style-type: none"> • Satisfaction that views taken into account (2nd quartile) – recognise need to improve wider tenant empowerment. • More performance information to tenants needed. <p>Process</p> <ul style="list-style-type: none"> • Information systems – multiple different systems that not always used to full capacity or integrated. Issues particularly with accounting systems. • Void turnaround time (and financial control) • Debt management • Complaint response times • Leasehold management <p>Stock investment</p> <ul style="list-style-type: none"> • Difficulty accessing information on stock condition. • Thermal efficiency – very low SAP ratings on 250 homes. • Investment standard not agreed (although priorities identified) • Lack of information on need for disabled aids and adaptations <p>Staff</p> <ul style="list-style-type: none"> • Staff competencies and training and development plans to ensure career progression. • Staff sickness • Office accommodation – more space needed <p>External</p> <ul style="list-style-type: none"> • Lack of information on how performance compares to other providers <p>Other Council actions linked to housing</p> <ul style="list-style-type: none"> • Lack of internal capacity to resource major regeneration projects
Opportunities	Threats
Resident perspective	Process

SWOT analysis carried out with HRA reform project board 2nd August 2011

<ul style="list-style-type: none"> • Tenant support <p>Process</p> <ul style="list-style-type: none"> • Information on demand v supply available from CBL records can inform future development plans. • HRA Self financing – opportunities for long term planning and some freedoms and flexibilities (within financial constraints) • Tenure/rent flexibility may present opportunities for improved use of assets, estate management and investment opportunities. <p>Stock investment</p> <ul style="list-style-type: none"> • HRA Land ownership for potential development. • Options appraisal of non traditional homes with limited life may present opportunities for improved land use, increased number of homes to higher quality. • Technical advances in sustainable energy provide opportunities for funding and for improvements in housing stock and cost in use for residents. <p>Staff</p> <ul style="list-style-type: none"> • Creation of HRA business plan provides opportunities to focus on future direction of service and opportunities to ensure all staff are clear of their role in delivering business plan objectives. <p>Other Council actions linked to housing</p> <ul style="list-style-type: none"> • DLO review identified potential efficiencies. • Halcon North regeneration project. • Priority Area strategy 	<ul style="list-style-type: none"> • Future demographic change increases the need for affordable housing and services for elderly and vulnerable tenants. • Rent policy – long term stability required <p>Stock investment</p> <ul style="list-style-type: none"> • 1/5 stock of non traditional construction – need to prepare for end of life of those homes with limited life. <p>Staff</p> <ul style="list-style-type: none"> • HRA Self financing – new risks and new staff competencies required <p>Governance</p> <ul style="list-style-type: none"> • Political composition of the Council presents risk of instability. Certainty required for 30 year business plan difficult with 4 year election cycle. • Level and complexity of change presents challenges for officer and member training/understanding. <p>External</p> <ul style="list-style-type: none"> • Welfare benefit reform • HCA grant funding reductions • External economic environment • Supporting people <p>Other Council actions linked to housing</p> <ul style="list-style-type: none"> • Budget review project and likely impact of shrinking General Fund on the HRA.
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