**Steve Biko Housing Association - Value for Money Statement 2017**

**Who We Are**

Steve Biko Housing Association (SBHA) was formed by Liverpool’s Black and Racial Minority (BRM) community as a direct result of race discrimination in Liverpool’s social housing allocations policy. Registered under the regulators Black Minority Ethnic (BME) strategy to provide quality homes for those in need.

Our Vision: “Homes and Communities without Racism” and our Mission is: “We will provide housing and related services that are responsive to the needs of BRM communities and we will enable tenants and local communities to influence decisions that affect their lives. We will do this in a way that influences and challenge social and economic structures that contribute to or entrench discrimination and disadvantage by putting racial equality at the heart of our work.”

Our Objectives:

* Quality Service to Tenants
* Governance
* Quality Organisation
* Promoting Equality
* Community Empowerment

Our Vision, Mission and objectives were reviewed and confirmed by Board in October 2015 and continues to set the foundations for all of the work that SBHA undertakes.

In line with the Home and Communities Agency’s Value for Money Standard, SBHA’s Financial Regulations and Value for Money Strategy, SBHA seeks to achieve value for money on all activities and expenditure and ensure rental income is maximised and collected in an efficient and timely manner.

The Association fully understands that we have a duty to ensure value for money for our activities and that our income, our tenants rent is used wisely.

SBHA has provided its own housing management service since 2012. The office location is at the heart of our area of operation and provides a more personal and improved customer facing service. Our office is currently rented on a fixed 10 year lease from Liverpool City Council, however, we are in the process of purchasing the property from LCC having agreed terms.

The Association has ensured that our housing management service is focused on delivering a more customer focused service with an emphasis in building relationships with our tenants to ensure that communication is open and that we get better at understanding their needs.

The improved office arrangements have created a better located and more accessible stand-alone independent office with meeting and training facilities which can house more staff at a lower cost than the previous arrangements.

**What We Do.**

We are a BRM Housing Association that is rooted in the community that we serve, as well as providing homes for people to live, we support our tenants and wider diverse communities within our neighbourhoods.

In 2016 we carried out a comprehensive review of our repairs and maintenance service utilising the services of RAND consultancy. As a result of the review, we have now moved from using a number of small repairs and maintenance contractors on an hourly rate to contracting with one large contractor, HMS to deliver a comprehensive repairs and maintenance service based on a schedule of rates. Early comparators for the first quarter of the year ending 31st March 2018 show that we have made £9,000 savings compared to the same period the previous year. The second phase of the review, looked at the management of our repairs service. We completed a value for money exercise, the result being that we have now appointed South Liverpool Homes (SLH) to act as our managing agent in respect of repairs and maintenance. SLH will oversee the performance and quality of the contract with HMS, including the management of the planned and cyclical programmes and the added value of ensuring that our health and safety regulatory and statutory obligations are met.

In terms of social value, as a unique BME Association, we employ a number of specialist staff, including a bilingual housing and neighbourhood services officer to assist with the effective integration of our non-English speaking tenants in the local community. The Association also employs a Community Regeneration Manager to facilitate wider tenant involvement and participation in community led initiatives to improve social cohesion within our own and neighbouring communities.

Because of our Community Regeneration Service we are recognised as a vital anchor organisation that helps to support and work with numerous community organisations within our neighbourhood. We work in partnership with individuals and a wide variety of community organisations and statutory organisations to identify issues, develop and deliver solutions within a framework that promotes racial equality and challenges discrimination.

An example of community organisations that we support and work closely with are: Amadudu Womens Domestic Violence Refuge, African Caribbean Heritage Centre, Granby Four Streets Community Land Trust, The Unity Youth Club, the Pakistani Multi-Cultural Centre, the Somali Womens Group. (List not exhaustive) More recently, we have been working with residents in the Lodge Lane area following the shooting that led to the death of an 18 year old boy.

We play a strategic role within the City’s governing structures, such as the City Region Housing Partnership, The Equalities in Housing Working Group, the Merseyside Community Safety Partnership and the Liverpool Strategic Community Cohesion Partnership.

We have a history of taking on volunteers, our two recent volunteers have gone on to gain full time employment. We have been successful in a grant application to Lottery Celebrate for £10,000 to run a number of celebratory events throughout 2017 that celebrate SBHA’s 30th birthday.

The Association has invested in the HACT Social Investment Impact tool so that we are able to monitor and have a clear understanding in respect of value for money and of the social impact of our community regeneration service to our local community.

We continue to distribute small grants to community organisations via our community small grants programme. For the year 2016/17 the activities reached 260 people and giving a social value of £1,747 per person and an overall social value impact of £534,602

Our annual young person’s achievers conference achieved 45 beneficiaries, giving a social value of £9,283 per person with an overall social value impact of £330,919***.***

The Association carries out a comprehensive customer satisfaction survey once every 3 years. A full STAR survey was undertaken in 2015 with the results widely reported back to tenants. We want to track our performance and our tenant’s perception of our service delivery. Two key areas identified by tenants as being important to them is our repairs service and customer service.

We commissioned a shorter survey that took place during the summer months of 2016 ahead of changes to our repairs service, it is our intention to carry out a further survey once the new repairs service has been running for a 12 month period. We will also carry out shorter annual surveys to enable us to track our performance over a period of time and to enable us to review and adjust services where necessary in a more timely fashion.

We continue to hold bi-monthly tenants meetings and hold them in different venues in the neighbourhoods that we operate. We also hold a variety of activities to enable tenants to connect with ourselves, and for us to have an on-going discussion with our tenants about service delivery, such as focus groups, coffee mornings, walk and talk, tenant’s inspectors and better use of social media.

**Performance.**

The Association’s Board monitor’s a range of key quarterly performance indicators and reviews progress against pre agreed annual targets using a traffic light system.

We are also members of the Acuity Benchmarking group and are able to benchmark our services with similar size/peer organisations to further evidence how we deliver value for money.

The Association’s operating costs (excluding housing property depreciation) have increased from the previous year’s performance 2013, £848,101, 2014 £824,718, 2015 £834,783, 2016 £878,739 rising to £927,774 for 2016/17. The reason for this, is an increase in management, service charge and planned maintenance costs. Management costs have increased due to increase in pension costs as a result of auto-enrolment, service charge costs increased due to increase in depreciation, there is also a slight increase in planned maintenance costs.

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| **Operating Cost Analysis – Cost Per Unit (CPU)**  |
|  | **Units** | **Headline****social Housing costs**  | **Management****CPU** | **Service Charge****CPU** | **Maintenance****CPU** | **Major****Repairs****CPU** | **Other Social****Housing Cost****CPU** |
| **2014/15** | 268 | £3,115 | £1,561 | £607 | £751 | £183 | £13 |
| **2015/16** | 267 | £3,291 | £1,609 | £537 | £806 | £321 | £19 |
| **2016/17** | 267 | £3,475 | £1,696 | £638 | £727 | £418 | £-3 |

Our rent and service charge collection rates are as follows:

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| **Rent and Service Charge Gross collection** |
|  | **12/13** | **13/14** | **14/15** | **15/16** | **16/17** |
| Cash Collected | £1,170,548 | £1,229,174 | £1,267,487 | £1,340,565 | £1,352,496 |
| Income collected % | 99.4% | 98.5% | 99.0% | 102.7% | 101.3% |

SBHA operates appropriate quote and tendering procedures in line with our financial regulations and the Board of Management strictly monitors income and expenditure on a regular and timely basis to ensure the Association operates within the constraints of its approved annual budget. The Board of Management includes tenants, ensuring customer scrutiny at a key decision making level.

The Association recently updated its stock condition information producing an updated future stock reinvestment programme to facilitate the proactive delivery of larger programmes of work over a longer period. The procurement of larger works contracts will lead to greater economies of scale and improved value for money.

For example following a tender exercise the Association has invested over £120,000 in replacing kitchens at Hector Peterson Court for the year 2013/14, £132,541 to replace and upgrade Bathrooms in 14/15 and 15/16 replacement windows and doors programme totalling £142,717, and 2016/17 window replacement programme totalling £153,428.

We have seen inflationary pressures on utility costs like the rest of the sector. As a result of carrying out a review of utility service providers we have entered into a fixed contract to reduce costs for our tenants. We estimate that we have made a saving of £13,000.

In addition, the Association is also a member of North West Housing Services Limited (NWHS) procuring shared support services to efficiently and effectively deliver services at a fixed cost and as a customer owned collaboration amongst small Registered Providers it also benefits from a share in the surplus generated by NWHS. NWHS was successful in securing the VAT Cost Sharing Exemption and has subsequently deregistered for Value Added Tax purposes. This has facilitated increased surpluses attributable to members of NWHS and ensures increased value for money. SBHA received a rebate for the year 2015/16 of £5,605 and a rebate of £3,800 for 2016/17 saving a total of £28,404 over the last four years.

In other partnership working, the Association collaborates with both larger and smaller housing providers to share skills, expertise and joint training where appropriate to reduce the costs that would be incurred if working on a stand-alone basis. For example in May 2016 as part of the Community Based Housing Association group we have signed a contract with the Brabners to provide us with enhanced services, training for staff and fixed/shared costs for review of policies.

**Planning for the Future**

SBHA has approved a new 5 year business plan 2017-22 together with a supporting and a longer term financial business plan. We align the business plan with our annual budget and annual action plan to ensure that our resources are targeted at meeting our key objectives.

Our Asset Management Strategy has been reviewed and was approved in September 2017

The Association will:

* Implement our Asset Management Strategy
* Work with our new managing agents to capture Net Present Value of our property assets in a method that is commensurate with the size of the organisation
* Implement the change of service at our sheltered scheme Hector Peterson Court following consultation
* Build on the youth employability programme to develop and deliver employment and training programme for our customers to enable them to improve their skills and capacity therefore, increasing the employability and incomes of our tenant.

**Meeting the Value for Money Standard – SBHA statement of compliance**

SBHA is assured that through this self-assessment we are demonstrating how we meet the HCA’s Value for Money Standard by:

* Developing our 5 year Business Plan through comprehensive planning process
* Approving 30 year financial Business plan
* Setting an annual budget that links with the objectives of the organisation
* Setting annual performance targets that are monitored on a quarterly basis by Board
* Participating in small providers bench marking club
* Tenant scrutiny
* Full financial management information provided to Board on a quarterly basis
* Having a robust approach to risk management

A detailed value for money self-assessment can be found on our website from 30th September 2017:

<http://www.stevebikoha.org/policies-and-procedures/>