

Report for:	Housing & Regeneration Scrutiny Panel 3 November 2014	Item Number:	
Title:	Homes for Haringey – Monitoring and Scrutiny Arrangements		
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Ward(s) affected: N/A	Report for Key/Non Key Decisions: N/A		

1. Describe the issue under consideration

This report sets out the current arrangements for the monitoring and scrutiny of Homes for Haringey's performance, both by the Council and by Homes for Haringey, and describes how these arrangements may change as a result of the recent transfer of additional housing delivery responsibilities from the Council to Homes for Haringey.

2. Background information

- 2.1 The performance of Homes for Haringey (HfH) is monitored regularly by the Council and by the Homes for Haringey Board and Executive Leadership Team. The Council's monitoring is coordinated by the Housing Commissioning Team, although other parts of the Council are also involved in scrutiny, regulation and compliance (for example, Finance, Internal Audit and Corporate Procurement).
- 2.2 Monitoring is carried out in a number of ways, generally in accordance with the following principles and guidelines:
 - The number of reports produced should be minimised and duplication avoided, by ensuring that reports produced for the Board and other HfH use are also provided to the Council.



- The number of meetings is streamlined with minimal overlap and duplication (although some is unavoidable).
- Major HfH initiatives (e.g. voids improvement) are collaborative, with Council involvement through the Commissioning Team and in some cases the Corporate Delivery Unit (CDU).
- Performance measures are regularly reviewed and streamlined where possible to ensure reports remain a manageable size and do not require unreasonable effort to produce.

2.3 Sections 3 and 4 below set out the current arrangements. Note that these are to some extent defined in the Management Agreement but are in transition following the recent change to HfH's responsibilities; this is described in section 5 below.

3. Monitoring and Scrutiny by the Council

- 3.1 A monthly performance scorecard is produced by HfH and provided to the Council. This contains about 25 key performance indicators (KPIs) covering repairs, voids, regular maintenance, tenancy management, income collection, estate services, home ownership, complaints, Member's enquiries and staff absence. A small number of these are included in the quarterly Council performance report to Cabinet.
- 3.2 KPIs are reported either monthly or quarterly and are reviewed annually. KPIs may be added, removed or amended and targets and tolerances are agreed. If performance is outside tolerance, HfH is required to prepare an exception report, setting out the reasons for the performance and the remedial actions being taken to achieve target.
- 3.3 In addition to the scorecard, a range of other performance data is routinely made available to the Council. This includes for example, detailed reports for voids and income collection (weekly) and for estate services (monthly).
- 3.4 A range of Service Level Agreements (SLAs) and protocols are in place in those areas where the Council is providing services to HfH or vice versa or where there is a need for close collaboration and clarity of responsibilities. These include for example, a protocol setting out respective responsibilities for housing benefits and SLAs for waste management or estate lighting. These are monitored in various ways by managers and staff and any performance issues addressed or escalated to the Commissioning Team.
- 3.5 Policy issues, service development and improvement projects are regularly discussed and monitored as and when they arise or upon request of either the Council or HfH. The regular monitoring meeting will normally include items relating to specific issues or opportunities where HfH provide an update or a Council view or agreement is sought – in recent months this has included former tenant arrears, customer access and safeguarding of vulnerable residents.



Haringey Council

- 3.6 The Commissioning Team carries out a number of regular monitoring and quality assurance activities at the day to day operational level. This includes estate inspections, sampling key functions (e.g. viewings), mystery shopping and issue resolution often relating to Member enquiries. The Commissioning Team attends some operational meetings either regularly (e.g. weekly Voids meeting) or on an ad hoc basis.
- 3.7 The Decent Homes Programme Board is chaired by the Chief Operating Officer and meets 6-8 weekly to monitor the delivery of the current programme and plan future programmes. The Board focuses on quality, risk and spend while the Commissioning Team is involved in pre and post inspections.
- 3.8 The arrangements for budget monitoring reflect its importance. HfH is subject to the Council's monthly monitoring cycle and report formally to the S.151 Officer. Council Finance officers attend the monthly meetings where detailed monitoring reports covering the Company Account and the Managed Account (budgets managed by HfH on behalf of the Council) are presented. In addition Finance officers from both organisations meet monthly with the Commissioning Team and review revenue and capital issues and projections.
- 3.9 HfH's annual business plan is reviewed and approved by the Council, to ensure close alignment with the Council Plan. Delivery progress is monitored at the regular meetings.
- 3.10 HfH is subject to the Council's Internal Audit in accordance with the Management Agreement. An annual audit plan is agreed with HfH and for 2014/15, includes signing off rents, leasehold service charges and accounts generally, data security and quality, health and safety, tenancy management and estate services.
- 3.11 A number of delivery areas that are HfH's responsibility are currently subject to CDU scrutiny, which involves regular analysis, reporting and improvement planning that is reported to the Leader and Chief Executive. CDU play a critical friend role in relation to temporary accommodation reduction, voids and repairs and work with HfH and the Commissioning Team to support improvement.

4. Monitoring and Scrutiny by Homes for Haringey

- 4.1 The Board of Management for Homes for Haringey has ultimate responsibility for achieving the objectives in the business plan (which reflect the Council's priorities) and the agreed performance standards, including financial performance. The Board meets monthly with the Council's Representative in attendance.
- 4.2 HfH has a suite of key performance indicators which are reported to and monitored by various different audiences, including the Council as described in section 3 above. The Board receive monthly performance reporting through KPI



exception reports with associated narrative, as well as a weekly 'on track' KPI report (which is also sent to all HfH staff).

- 4.3 Board scrutiny is also provided through Board Portfolio holders, who each have responsibility for specific areas e.g. repairs (all the areas are set out in appendix A). Portfolio holders meet with their respective Executive lead and jointly own that area for the Board, acting as the Boards non executive 'expert'. The Portfolio holders focus on performance and trend monitoring and delve deeper into the KPIs, providing direct challenge and informing the exception reporting that is required to go to the Board.
- 4.4 Further scrutiny is provided by the Board's Audit and Risk Committee, which oversees the assurance programme, including resident scrutiny (described in paragraphs 4.6 - 4.8 below). As well as driving and monitoring responses to audit reports, each quarter the Committee receives health and safety exception reports outlining key indicators to inform strategy and risk mitigation. The Committee reviews the Resident Scrutiny reports and monitors the progress being made against the recommendations via exception reporting from the Executive.
- 4.5 The Executive team receives detailed monthly financial and performance reports, and monitor specific areas of performance and financial progress in working groups called Performance Improvement Group and Financial Improvement Group; however these groups will shortly be combined into the Executive Programme Board shown in appendix A. These are detailed KPI monitoring and challenge sessions that cover service and project delivery. The Executive Team also monitors delivery of the strategic business plan, which is managed through projects or departmental improvement plans. This is also reported to the Board via the Board Bulletin, a monthly reporting brief to Board members and the Council's Commissioning team.
- 4.6 Resident scrutiny by the HfH Resident Scrutiny Panel is aligned to the Board through a Portfolio holder (the Chair of the Board) and through the reporting process to the Audit and Risk Committee. A member of the Resident Scrutiny Panel is co opted to the Committee to ensure that there is appropriate challenge to the Executive exception reporting.
- 4.7 The Resident Scrutiny Panel has reviewed three major areas of work this year, making recommendations from complex and important reviews and then monitoring the implementation to ensure achievement. These reviews were of responsive repairs, customer access and the Haringey Leaseholders Association. The Panel is currently considering a request from the Board to look at anti social behaviour.
- 4.8 The Resident Scrutiny Panel also receives performance information at its monthly meetings, covering all aspects of the services including complaints. The



'resident top ten' KPIs are reported through the website and the annual report to residents and in regular briefings such as Home Zone.

- 4.9 The Chair of the HfH Resident Scrutiny Panel and the Chair of the Council's Housing Scrutiny Panel meet annually to ensure alignment of their respective work programmes.

5. Future Monitoring and Scrutiny

- 5.1 On 29 September 2014 some 200 staff were seconded from the Council to HfH and responsibility for the services provided by the former Community Housing Services (CHS) business unit transferred to HfH. This is a significant change that requires monitoring and scrutiny to evolve, in line with wider changes in the Council e.g. the new Council Plan, Medium Term Financial Strategy and the move to a commissioning model).
- 5.2 As part of the unification of housing services, Heads of Terms were agreed that amend the existing Management Agreement. This signals a new relationship between the Council and the HfH.
- 5.3 The new agreement has removed the previous prescriptive arrangements and introduced a new streamlined process for the Council to raise any performance concerns formally with HfH. The principle of more rigorous commissioning of HfH from a single Council commissioner has been introduced and the Commissioning function will change as a result, particularly as Commissioning effort will need to reduce (in both organisations) in line with available budgets.
- 5.4 The evolution of monitoring and scrutiny will continue to reflect the principles set out in 2.2 above, with some refinement where needed. The emphasis will shift more to HfH's self-scrutiny with appropriate Council safeguards based on a more commissioning-oriented approach. This means more focus on outcomes, ensuring that services are clearly specified and well-designed, benchmarking with best in class performers and taking a longer term view of improvement and quality assurance.
- 5.5 This does not mean that regular monitoring will cease, but the method and frequency will change. A scorecard will continue to be produced by HfH but the frequency and alignment with Board reporting will be improved. A revised scorecard is being developed that covers the existing and formerly CHS services but there will be more emphasis on the Council having access to data and less on formal reporting through regular meetings. Rather than operate as a passive recipient of performance data, the Commissioning function will need to become a proactive commissioner who interrogates data and acts accordingly.
- 5.6 This does mean that Council involvement in day to day operations will cease. The level of operational monitoring described in 3.6 above is no longer appropriate and in any case cannot be sustained with the available staff



resources. Where appropriate, the Commissioning Team will continue to be involved in long term improvement initiatives and in any significant changes in policy or approach, or an exceptional basis where necessary to address performance issues.

- 5.7 A new governance model is required for the relationship with HfH and this is under development. We are in a transitional period and it is expected that the revised monitoring and associated governance will be in place fully by January 2015. This will continue to evolve in line with the Housing unification and improvement programme and the new Council Plan.
- 5.8 Copies of the performance reports and bulletins referred to above will be made available to Members at the meeting or on request.

6. Comments of the Chief Financial Officer and Financial Implications

- 6.1 The costs of producing this report and undertaking the processes described within the report are contained within existing budgets.

7. Comments of the Assistant Director of Corporate Governance and Legal Implications

- 7.1 There are no legal implications arising out of the report that are not dealt with in the body of the report.

8. Use of Appendices

Appendix A – Homes for Haringey Monitoring & Scrutiny diagram



