



Your Homes
Newcastle



Addendum (July 2011) to:

Stepping up: Improving on Excellence in Challenging Times

YHN Business Strategy 2011-2014

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1. Introduction

In 2009 we launched our first business strategy. The document was developed and implemented to enable us to continue to meet the requirements of the Audit Commission, and later the National Standards set by the Tenant Services Authority (TSA), whilst dealing with the challenges we faced in our operating environment. The recession, potential change in government and increased demand for housing, all posed a risk to our ability to continue to provide excellent services and continue to be a three star organisation. The document outlined the strategic direction we planned to take and set out what we wanted to achieve by 2014.

The strategy has been successful in its original purpose. We have not only continued to provide excellent services and comply with the regulatory framework for social housing in the face of challenge and adversity, but we have also improved. Since the implementation of the strategy over half of the original key deliverables have been achieved or are on target to be achieved. Much of this progress has been accomplished through dealing effectively with the challenges we face, but also recognising opportunities and taking a flexible approach in the way we work to maximise these opportunities.

However, changes brought about by the coalition government have had a significant impact upon our financial and operational arrangements. Therefore, the overall challenge we face as a housing provider has shifted from one of regulation and inspection to one of ensuring financial stability. We have reviewed the strategy to assess whether the mission statement and strategic objectives are still relevant.

1.1 Stepping up and delivering excellence – our key achievements

Some of our most significant achievements of the past few years include:

- **YHN Skills to Work Strategy** – through our skills to work strategy we have referred over 200 customers to Newcastle Futures for one to one employment support, trained 75 customers in employability related courses and employed 65 people for six months as part of the Future Jobs Fund (FJF).
- **YHN Financial Inclusion Strategy** – during 2010/11 we generated over £3.3 million for customers through applying for benefits and charity grants. Through the strategy we have also encouraged 73 customers to join Moneywise Credit Union, provided financial information and advice for customers through publications and training sessions, helped over 6000 customers sign up for home contents insurance and referred 184 customers to the Energy Centre.
- **Equality Framework for Local Government** – achieved level two of the framework in 2010.
- **Stonewall Top 100 Employers** – in 2010 we were ranked 50 in the 2011 Stonewall Workplace Equality Index. Having entered the Top 100 at 90 last year, this shows great progress in making YHN a better place to work for lesbian, gay and bisexual staff.
- **Corporate Customer Service Excellence (CSE) Award** – achieved full corporate compliance against the standard in 2010.
- **YHN People Strategy** – through our people strategy we have achieved the liP bronze award and the silver level of the Better Health at Work Award.

- **Learning and development centre** – in early 2011 we opened an income generating learning and development centre at Newburn Riverside.
- **Modern Homes** - just over 80% of our homes have been modernised to meet the decent homes standard.
- **New build** – created 82 new homes - including our first purpose built low level support accommodation (Jubilee Court) for young families, 43 purpose built bungalows for older people and we are currently refurbishing 17 unsustainable properties into 15 family homes at Bolam Coyne in Byker.

2. Future Direction

In order to review the strategy we have consulted with customers, Board members, YHN staff and Newcastle City Council (NCC). This consultation identified that we must continue to provide excellent homes and services. Therefore, our business strategy continues to reflect our mission statement accurately and our strategic objectives are to remain the same. However, through consultation it was also recognised that we must adapt the way we operate in order to successfully deliver these objectives. The outcomes of this feedback can be found in appendix 1 of this addendum.

Section 3. identifies the three key challenges we will face over the next few years and how YHN Board, customers and staff feel we should deal with them. The attached action plan in section 5. details the key deliverables we will deliver to ensure we achieve our strategic objectives by 2014.

3. New challenges

The current government's agenda is primarily focussed on reducing the nation's deficit and recovering the economy. This shift in focus has been implemented through restrictions being placed on the financial manoeuvring of the public sector and many budgets being cut. These current and future financial restrictions have resulted in significant changes across the social housing sector that have created new challenges for providers.

We recognise our duty to respond to these challenges in a way that will ensure we continue to deliver excellent services which demonstrate value for money and meet the needs of our customers. The three key challenges we face are:

1. Reductions in conventional funding streams
2. Reform of the Housing Revenue Account
3. Welfare and benefit reform

Challenge 1: Reductions in conventional funding streams

Challenge

In October 2010 the Comprehensive Spending Review (CSR) outlined how the government will reduce public sector spending by £81 billion over the next four years in order to reduce the budget deficit. As part of this, central government funding to local authorities will be cut by 27% between 2011 and 2015. The reduction in local authority funding means that:

- Councils are reducing the services they provide as well as the funding they pass on to other services, and
- Grants from central government and its agencies to other local bodies are also being heavily reduced.

Impact

This challenge impacts upon three key areas of our business:

1. Supporting People

Significant to YHN are the effect these cuts will have on the Supporting People Fund which provides funding to support our Advice and Support Service, Young Peoples Service (YPS) and Community Care Alarm Service (CCAS). In Newcastle the Supporting People Fund has been cut by the same rate as the Area Based Grant, which is 11.3% for 2011/12 and 7.4% for 2012/13. However, due to Newcastle City Council (NCC) acquiring "one off" alternative funding via homelessness resource allocations, the reduction for 2011/12 has been approximately 3%. Additionally, the ring-fencing of Supporting People funding was removed in 2009 but NCC chose to maintain the informal ring fence for 2009/10 and 2010/11.

We have taken into account the 3% reduction we face in Supporting people funding for 2011/12. However, we will have to prepare for the expected reductions which will come into effect from 2012/13. We have agreed to work with the Adult and Culture Services Directorate during this summer/autumn to identify where we can make efficiencies and prioritise services in preparation for any changes from April 2012/13. NCC have indicated the full impact of the 18.7% (11.3 and 7.4) will come into effect from April 2012 but at this stage no single service knows what reductions in funding it will receive.

Once the reductions are known we will have to decide whether the reductions are managed by spreading across them across the business or containing within Support and Care. Feedback from a Board session in May 2011 indicates a preference for spreading these reductions across the business.

2. Modern Homes Programme

Since our establishment in 2004 we have made just over 80% of our housing stock decent. Over the past few years we have significantly increased the affordability and efficiency of our Modern Homes Programme and delivered it to budget and on time. However, due to a number of external factors such as the collapse of major contractors and new procedures for dealing with asbestos, the target pace for delivery was not achieved during 2010/11.

In 2010 the HCA announced changes to the scheduled funding of decent homes to address the funding backlog. The most significant changes being:

- The HCA will not provide final allocation funding to those organisations which have less than 10% of stock non decent; and
- The deadline for completion has been removed.

Although we have more than 10% of stock non decent, since this level is simply due to pace of delivery and not the level of funding received we are not considered eligible for the final allocation of funding. Therefore we will not receive the final £12 million originally anticipated.

To enable us to complete the Modern Homes Programme and deliver our commitment to refurbishing all our homes to a decent standard we will utilise a proportion of existing YHN funds and the Major Repairs Allowance. The YHN Asset Management strategy will be revised to outline how we intend to deliver the programme to the extended deadline.

3. New build funding

Over the past few years we have significantly improved the quality of our housing stock through a number of successful new build projects. The delivery of these projects has been significantly supported by social housing funding provided by the Homes and Communities Agency (HCA). However, financing for social housing has recently changed. The new investment model for social housing will provide less grant to support development and will rely more on the use of landlord's own financial resources to cover the costs of providing sub-market housing.

In response to this we will continue to access HCA funding to finance new build, refurbishment projects and mortgage rescue packages where possible. However, we will also continue to find opportunistic and innovative ways to finance new build such as cross subsidising and optimising alternative funding options e.g. English Heritage and environmental sustainability grants.

The YHN Asset Management strategy will be revised to outline how we intend to deliver new build projects over the next four years.

Response

In order to safeguard the future delivery of excellent homes and services against these cuts, we need to place ourselves in a stable financial position. We will do this through effective financial planning, increasing efficiencies, further improving procurement practices and embracing entrepreneurialism to generate and increase income.

Challenge 2: Reform of the Housing Revenue Account (HRA)

Challenge

The Localism Bill outlines that the HRA subsidy will be abolished and replaced with a system of self financing. The new system will allow us to keep all rental income from council housing and capital receipts (excluding 75% of Right to Buy). However, we will no longer be in receipt of annual subsidy payments. In return our existing debt will be reduced to a level where the interest costs are financially sustainable.

Impact

The system is to be implemented in April 2012 and intends to give us the freedom, in collaboration with NCC, to:

- Plan over a longer period;
- Manage our assets sensibly; and
- Have the financial control we need to deliver services in the best interests of our customers and communities.

Response

The new system poses both opportunities and risks to the organisation. To enable us to take advantage of these opportunities and minimise the risks we will maintain a healthy financial position through effective long term financial planning, developing new governance arrangements and reviewing our treasury management arrangements.

Challenge 3: Welfare and benefit reform

Challenge

In February 2011 the Welfare Reform Bill was introduced to Parliament. The bill will legislate the biggest change to the welfare system for over 60 years as it introduces a wide range of reforms. The changes most likely to have an impact on our customers include:

- **Under occupation benefit reductions** - from 2013 Housing Benefit (HB) payments will be based on family size. Therefore, families under occupying a property may not get enough HB to cover their rent. It is estimated that there will be an average reduction in HB payment of £12 per week for someone under occupying a property by one bedroom.
- **Introduction of the Universal Credit** - from October 2013 onwards the government intends to introduce the Universal Credit. This means that a single benefit payment will be paid directly to the claimant, including any amounts for rent.
- **Non dependant benefit deductions** – HB deduction for non dependents in a household has increased and will continue to do so incrementally over the next few years. The claimant will be responsible for making up the shortfall. A non dependent charge will still be payable even where an over 25 non-dependent is claiming benefit.
- **Job Seekers Allowance (JSA)** - single parent households where the youngest child is aged seven and over (from 2012, this will reduce to five years) will no longer be able to claim Income Support as a lone parent and will have to instead claim JSA and be actively seeking work.
- **Health related benefits** - between October 2010 and spring 2014 people claiming health related benefits will have their claim re-assessed using much stricter criteria. This will result in claimants moved onto either Job Seekers Allowance (JSA) or Employment and Support Allowance (ESA); both carry mandatory activity to look for work.

Impact

These reforms are likely to have a negative impact on both our customers and the organisation:

- **For customers** it is likely that a dramatic reduction of income for those who are unemployed and benefit dependant will lead to arrears. It is estimated that approximately 1,233 tenants may be affected by the non dependant benefit deductions.
- **For the organisation** customer arrears result in a loss of rental income, which is likely to be increased by the introduction of the Universal Credit as tenants prioritise other payments and debt over their rent. A comparable benefit in the 1980's (supplementary benefit), which was paid directly to social housing tenants, increased rent arrears for those who were benefit dependant.

Additionally, given the availability of affordable housing in the city it will be difficult for us to meet the additional needs of customers affected by the welfare reform bill.

Response

To overcome these impacts we need to:

- Ensure customers are aware of and prepared for the changes through the YHN Income Management Strategy;
- Support our customers to achieve economic and financial independence through the YHN Skills to Work Strategy and YHN Financial Inclusion Strategy;
- Continue to work to the NCC/YHN Prevention of Eviction and Repeat Homelessness Protocol;
- Manage our stock to ensure the provision of suitable accommodation is feasible, and
- Ensure lettings and allocations policy enables us to allocate homes effectively and fairly.

4. Amendments to the action plan

We have amended the business strategy key deliverable plan to reflect the feedback received from consultation and outline our planned direction of business over the next four years. In summary these amendments have involved:

- Removing key deliverables which have been achieved;
- Revising key deliverables to update or make relevant to our planned direction, and
- Incorporating new key deliverables which will enable us to achieve our strategic objectives within the current social and economical climate.

The following table details which of the original key deliverables have been removed or revised and any new key deliverables developed as a result of customer and Board consultation:

Original key deliverable	Removed, retained or revised	Reason
Support and care to communities		
We will have successfully completed our first purpose designed low level support accommodation for young families.	Removed.	Achieved. Purpose designed accommodation has been incorporated into the YHN Asset Management Strategy key deliverable.
We will have achieved 100% Level A's in our Quality Assessment Framework assessments for all Supporting People funded contracts.	Retained and revised.	On target to be achieved. Remains a priority.
We will have achieved the new Customer Service Excellence Standard across all five support and care services.	Removed.	Achieved. YH was awarded full corporate compliance against the standard in 2010.
We will have improved the economic well-being of our residents by fully implementing our employability and financial inclusion strategies.	Retained but split into the following key deliverables: <ul style="list-style-type: none"> • YHN Financial Inclusion Strategy • YHN Skills to Work Strategy. 	On target to be achieved. Remains a priority.
Three star excellent services		
We will have fully implemented our Customer Service Strategy -'Every Customer Matters' and our IT Strategy to enable the delivery of three star excellent services.	Retained but split into the following key deliverables: <ul style="list-style-type: none"> • YHN IT Strategy • YHN Customer Service Strategy 	Remains a priority.

We will have achieved top quartile performance amongst ALMO's in relation to key indicators.	Retained.	Remains a priority.
We will have achieved Level 3 - 'Excellent' across all five key areas within the equality framework for local government.	Retained and revised.	On target to be achieved. Remains a priority however revised to reflect the establishment of the new Social Housing Equality Framework.
A quality workforce		
We will have achieved gold band status within the Investor's in People Standard.	Incorporated into the YHN People Strategy key deliverable.	On target to be achieved. Remains a priority but is delivered within the YHN People Strategy.
We will have achieved the gold standard for the North East Better Health at Work Award.	Incorporated into the YHN People Strategy key deliverable.	On target to be achieved. Remains a priority but is delivered within the YHN People Strategy.
We will be recognised as the Employer of Choice in the North East.	Removed.	Key deliverable cannot be measured.
We will be in the top 100 of Stonewall's Workplace Equality Index.	Removed.	Achieved. Although we will continue to improve our position within the top 100, it is no longer a key priority.
We will have produced and fully implemented our new People Strategy.	Retained and revised.	Remains a priority.
We will be operating an income generating Learning and Development Centre.	Removed.	Achieved.
Refurbishing and building homes		
100% of homes will have been brought up to the decent homes standard.	Incorporated into the YHN Asset Management Strategy key deliverable.	Remains a priority but is delivered within the YHN Asset Management Strategy.
We will have made a key contribution to the NCC Housing Strategy by building at least 200 properties including family homes, homes for older people and supported housing for young people and learning disabled.	Incorporated into the YHN Asset Management Strategy key deliverable.	Achieved. Remains a priority but is delivered within the YHN Asset Management Strategy.
We will have fully implemented our current asset management strategy.	Retained and revised.	Remains a priority.
We will have explored opportunities to operate across other tenures and will have completed a 12 month pilot of a Private sector leasing project.	Removed	No longer relevant.

New key deliverables have been developed around the following areas and incorporated into the key deliverable plan:

- Tenancy sustainment (incorporated into YHN Financial Inclusion Strategy key deliverable);
- Community cohesion;
- Anti-social behaviour (ASB) (victim support);
- Estate Management;
- Customer Involvement;
- Income generation/entrepreneurialism;
- Shared services;
- Self financing;
- Income management;
- Value for Money;
- Internal scrutiny and transparency;
- Communications;
- Repairs and Maintenance, and
- Environmental sustainability.

5. YHN Business Strategy Action Plan (2011-2014)

Priority one: Support and care to communities

Ref	Key deliverable	Responsibility	Target for completion
1.1	We will have achieved 100% Level A's in our Service Quality Framework (SQF) assessments for all Supporting People funded contracts.	Head of Support and Care	31/03/2013
1.2	<p>We will deliver the key priorities of the YHN Skills to Work Strategy:</p> <ul style="list-style-type: none"> • Continue to embed tackling worklessness into our organisational culture; • Working in partnership we will improve access to pre-employment training and support; • Improving the employability of residents and local people, and • Getting people into work. 	Head of Support and Care	31/03/2014
1.3	<p>We will deliver the key priorities of the YHN Financial Inclusion Strategy:</p> <ul style="list-style-type: none"> • A workforce committed to eliminating financial exclusion; • Empower and equip our residents to make informed and effective financial choices; • Increase take up of contents insurance; • Facilitate easier access to bank accounts; • Working in partnership to promote access to affordable credit, and • Maximising the income of our residents. <p>This strategy is currently being reviewed. The review will incorporate tenancy sustainment and outline the key deliverable we will take in response to the 2011 welfare reform.</p>	Head of Support and Care	30/09/2012

1.4	<p>We will deliver the key priorities of the YHN Community Cohesion Strategy:</p> <ul style="list-style-type: none"> • To promote wider understanding of community cohesion across all of YHN; • To promote inclusivity and fairness in all our business activities; • To involve tenants and other customers from diverse backgrounds, and • To promote good practice and develop further opportunities for inter-community dialogue. 	Diversity Manager	31/03/2013
1.5	<p>We will introduce an ASB risk assessment procedure. The procedure will require all ASB cases to be categorised as 'personal', 'community' or 'environmental' with priority given to personally motivated ASB. It will:</p> <ul style="list-style-type: none"> • Enable us to identify those most vulnerable, and • Ensure our management of ASB demonstrates a clear focus on protecting people from harm and supports victims and witnesses. 	Tenancy Services Manager	30/09/2011
1.6	Carry out a review of the Estates Management Service.	Director of Tenancy Services	31/03/2012

Priority two: Three star excellent services

Ref	Key deliverable	Responsibility	Target for completion
2.1	We will have achieved top quartile performance amongst ALMO's in relation to key indicators.	Various service managers. To be monitored by Lead Performance Management and Policy Officer	31/03/2014
2.2	We will have achieved Level 3 - 'Excellent' across all five key areas within the Social Housing Equality Framework.	Diversity Manager	31/12/2011
2.3	We will deliver the key priorities of the YHN Customer Service Strategy : <ul style="list-style-type: none"> • Involving and empowering our customers using their insight to continuously improve our services; • A customer focused culture; • Providing information and accessible services our customers can use at a time and in a way that suits their needs; • Delivering against our promises and dealing effectively with problems if things go wrong, and • Agreeing and monitoring the timeliness and quality of our customer service standards with our customers. 	Head of Customer Service and Improvement	30/09/2012
2.4	We will deliver the key priorities of the YHN Customer Involvement Strategy : <ul style="list-style-type: none"> • Be accessible - everyone will have a chance to get involved so that the views of our customers are equally represented. • Be meaningful - involvement is meaningful for our customers through empowerment, and meaningful for the organisation through directly shaping our service delivery. 	Lead Customer Involvement Officer	31/03/2014

	<ul style="list-style-type: none"> • Demonstrate value for money. • Contribute towards ensuring we are accountable and transparent. 		
2.5	<p>Deliver the key priorities of the YHN IT Strategy:</p> <ul style="list-style-type: none"> • A Secure, Reliable and Efficient IT Service; • Access and Customer Service; • Partnership and Sourcing, and • Using technology to enable productivity. 	Head of IT	31/03/2014
2.6	<p>To ensure we maintain a stable financial position we will explore new ways to generate income. To support this we will:</p> <ul style="list-style-type: none"> • Review the entities of relevant services to enable us to maximise income generation opportunities. • Create a business development framework. • Identify appropriate areas for shared services. 	<p>Assistant Chief Executive and Director of Business</p> <p>Director of Finance and Resources</p> <p>Chief Executive</p>	<p>31/03/2012</p> <p>30/11/2011</p> <p>31/12/2011</p>
2.7	<p>To prepare for self financing we will:</p> <ul style="list-style-type: none"> • Produce a sustainable 30 year business plan for Board approval. • Develop and implement new governance arrangements. • Review treasury management arrangements. 	<p>Head of Finance</p> <p>Head of Finance</p> <p>Head of Finance</p>	<p>30/09/2011</p> <p>31/03/2012</p> <p>31/03/2012</p>
2.8	<p>We will deliver the key priorities of the YHN Income Management Service Strategy:</p> <ul style="list-style-type: none"> • Collecting income when it's due to prevent arrears; • Providing accessible income services; • Managing, collecting and minimising arrears, and 	Income Manager	31/03/2015

	<ul style="list-style-type: none"> Ensuring our income services provide excellent value for money. 		
2.9	<p>We will deliver the key priorities of the YHN Value for Money Strategy:</p> <ul style="list-style-type: none"> Continue to optimise the economy, efficiency and effectiveness of our services; Maximise opportunities to make efficiency savings through our procurement practices; Strengthen our existing value for money culture; Advance the way we measure, report and monitor value for money. 	Head of Finance	31/12/2014
2.10	<p>We will produce an annual report to outline our compliance with the regulatory framework for social housing. This will detail how we meet the following national standards:</p> <ul style="list-style-type: none"> Tenant involvement and empowerment; Home; Tenancy; Neighbourhood and community; Value for money, and Governance and financial viability. 	Lead Customer Involvement Officer	01/10/2011
2.11	<p>We will deliver the key priorities of the YHN Communications Strategy:</p> <ul style="list-style-type: none"> To position YHN as the leading provider of quality housing and excellent housing services in the North East; To ensure two way communications are established with both staff and customers to enable continuous improvement; To raise YHN's profile with local and national media, and To make information about YHN accessible to all of our different audiences. 	Lead Communications Officer	31/03/2012

2.12	<p>We will deliver the key priorities of the YHN Repairs and Maintenance Strategy:</p> <ul style="list-style-type: none">• Review and improve our key repair and maintenance processes to enable us to deliver excellent services;• Plan for the long term maintenance and investment needs of the housing stock, and• Develop an effective consultation framework and act upon what our customers have already told us.	Head of Property Maintenance	31/12/2012
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Priority three – A quality workforce

Ref	Key deliverable	Responsibility	Target for completion
3.1	<p>We will deliver the key priorities of the YHN People Strategy:</p> <ul style="list-style-type: none"> • Developing our people – ensuring our people are appropriately skilled and have the necessary knowledge and capability to carry out their role. To do this we will: <ul style="list-style-type: none"> • Take an effective approach to performance management, and • Provide a supportive environment that actively promotes personal learning and development. • Developing our leaders and managers – investing time and resources to ensure we have highly skilled, responsive leaders to support our business and our people through future development. To do this we will: <ul style="list-style-type: none"> • Promote culture in which leadership skills are valued, encouraged and aligned with our organisation mission, strategic objectives and core values, and • Invest in a range of inclusive options for Leadership and Management Development. • Health and Wellbeing: ‘Happy, Healthy and Here’ – encouraging a happy and healthy workforce. To do this we will: <ul style="list-style-type: none"> • Improve engagement and commitment from individuals, and • Reduce risks to occupational health and safety. • A positive organisational culture – an attractive and focused environment to get the best out of our people. To do this we will: <ul style="list-style-type: none"> • Manage change effectively; 	HR Manager/OD Manager	31/03/2014

	<ul style="list-style-type: none">• Value and promote diversity;• Communicate effectively;• Encourage creativity and innovation, and• Ensure dignity and respect in the workplace <ul style="list-style-type: none">• Rewarding and recognising our people – people know that the contributions they make to the on-going success of the organisation are recognised and appreciated. We will do this through:<ul style="list-style-type: none">• Effective reward and recognition, and• Fair and equal pay.• Attracting, recruiting and retaining a quality workforce – the right people with the right skills and attitudes to enable us to meet our current and future objectives. We will do this through:<ul style="list-style-type: none">• Effective workforce planning;• Effective recruitment and selection processes;• A representative workforce, and• Retaining and managing talent.		
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Priority four: Refurbishing and building homes

Ref	What we want to achieve	Responsibility	Target for completion
4.1	<p>We will deliver the key priorities of the YHN Asset Management Strategy:</p> <ul style="list-style-type: none"> • Ensure the homes that we manage meet the decent homes standard: <ul style="list-style-type: none"> • Managing projects 'on hold'; • Managing properties included within 'Regeneration' projects; • Managing properties omitted from the Modern Homes Programme, and • Procurement. • Keep homes decent and plan investment: <ul style="list-style-type: none"> • Developing our 30 year investment programme. • A stock profile that meets the needs of the 21st century population (including new build): <ul style="list-style-type: none"> • Meeting the needs of an ageing population; • Meeting an increased demand for social housing, and • Meeting the need for supported accommodation. • A high quality environment; <ul style="list-style-type: none"> • Estate maintenance, and • Community cohesion and social inclusion. 	Head of Assets and Programming	30/06/2014

4.2	<p>We will deliver the key priorities of the YHN Environmental Sustainability Strategy:</p> <ul style="list-style-type: none">• Achieve a 6% reduction in carbon footprint by 2013 against a 2005 baseline;• To reduce the environmental impact of the housing stock we manage and build, and• To inform and encourage behavioural change by our tenants and staff.	Head of Assets and Programming	31/03/2013
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Responding to the new challenges - consultation outcomes

To ensure we respond effectively to these changes and continue to provide excellent homes and services within the new social housing environment we have reviewed the key deliverables outlined within the business strategy action plan. To inform this we have consulted with YHN Board, customers and staff.

1. Consulting with YHN Board

The YHN Board has overall responsibility for the management of the organisation. The Board's primary responsibility is to set the organisation's overall strategy and to oversee its effective implementation. In January 2011 we held a dedicated session for the Board to consider how we will adapt our future business to meet the needs of the changing environment of the social housing sector. The feedback from this session has informed the direction of the revised business strategy key deliverable plan.

A variety of views were expressed at the session:

Apprehension

Apprehension was expressed about:

- The most vulnerable of our customers and the way that our ability to intervene to support them will be constrained financially;
- Social division, and
- Tenants' views not being taken seriously in the national picture.

Optimism and opportunity

A high level of optimism was expressed that YHN is an organisation that is used to change and one that has successfully adapted in the past to respond to previous initiatives. We have already put in place innovative structures, and the Board had demonstrated openness to ideas.

Board members also recognised that the changes and challenges presented new opportunities, such as to:

- Continue tenant involvement and scrutiny;
- Become involved in delivering the 'The Big Society';
- Improve value for money, and
- Grow through entrepreneurialism and new ways of doing business.

Growth and future development

Support for growth through entrepreneurialism and other methods such as European funding, new uses of I.T., shared services, social enterprises and increasing our market share in traded services prevailed throughout the session. However, members expressed that business imperatives should define the structure and type of entity that we develop into. Whilst Board members were in agreement that income generation and value for money should be at the cornerstone of what we do, this came with caveats; namely that we should use the financial flexibility that we create to invest in our core services, and that we should never lose our social focus and conscience.

There was universal agreement that the strategic objectives of the business strategy remained highly relevant and clear guidance was given as to the key deliverables required to achieve these.

2. Consulting with customers

We involved customers in the development of the original strategy to help us ensure our strategic objectives were aligned with customer priorities. Although these objectives remain unchanged, we recognise the importance of ensuring the key deliverable plan continues to reflect what our customers need and want. To do this we have utilised existing consultation feedback to develop the revised key deliverables.

Annual 'How We Spend Your Rent Session'

The annual 'How we spend your rent' session enables customers to tell us what is important to them and how they feel their rent should be spent. Primarily feedback from this session is used to inform the development of key deliverables and targets for the annual YHN Service Plan. However, we have also used this feedback to identify customer's overarching priorities. These priorities have been identified as the following:

- Repairs and Maintenance;
- Better quality, purpose designed stock;
- Anti-social behaviour,
- Estate management;
- Modern Homes;
- Support and care to elderly and new tenants;
- Financial inclusion, and
- Customer service.

Local offer consultation

The new regulatory framework for social housing outlines the national standards we are required to meet as a registered social housing provider. To support the national standards we are required to work with our customers to develop local offers around the following national standards:

- Tenant involvement and empowerment;
- Home, and
- Neighbourhood and community.

In September 2010 we surveyed customers to find out what their priorities are to help us develop these local standards. When asked what is important to them, customers identified the following areas:

- **Customer Service** – providing a range of ways for tenants to access all services and providing tenants with the information they need about services;
- **Support and care** – providing support to tenants who need more help with their tenancy;
- **Equality and diversity** - treating all tenants with fairness and respect, knowing who our customers are, understanding the different needs of tenants and offering the services to meet them;
- **Repairs and Maintenance** – making it quick and easy to report a repair, having punctual and polite staff and completing repairs to a high standard;
- **Environmental sustainability** - using materials that will increase energy efficiency or reduce fuel bills;

- **Quality accommodation** – making sure major work improves homes, using good quality materials, providing adaptations (e.g. stair lift, ramp or shower facilities) to make the homes of older or disabled tenants easier to live in and leaving homes clean and tidy at the end of each day;
- **ASB** – making sure it is easy to report ASB, dealing with ASB complaints quickly, promoting the support that is available to victims and witnesses and providing help to prevent ASB, and
- **Estate management** – providing good street lighting on estates, having friendly and knowledgeable housing staff and ensuring estates are free of litter.

3. Consulting with YHN Senior Management Teams (SMT's)

In reviewing this strategy we also consulted with our SMT's to understand what is feasible and realistic on an operational level. The teams felt the future direction of the organisation is difficult to determine as we are not entirely clear as to the impacts of the cuts being made at the city council over the next few years. However, there is going to be significant change in the purpose of social housing. The teams felt that to ensure we are in a position to respond to these changes we must ensure:

- We have effective governance arrangements in place;
- We continue to make efficiency savings, and
- We have appropriately skilled staff.

The teams also highlighted that there is potential to actually improve current business through taking advantage of opportunities such as shared services and business enterprise. They also highlighted a number of opportunities for future expansion such as regeneration and the Byker Trust.

The teams agreed that the strategic objectives of the business strategy remained relevant. They acknowledged the challenges we face, however remained positive because they feel the organisation is in a position to be able to deal and respond effectively to them. They expressed that the key priorities for the organisation over the next four years are:

- Achieving top quartile performance;
- Customer service;
- IT;
- New build;
- Income generation, and
- Modern Homes.

Feedback from these sessions has been incorporated into the revised key deliverable plan.