

Executive Briefing Introduction

“Executive Briefing” summarises the business of the Northern Ireland Housing Executive’s Board at its meeting on Wednesday 27th June 2012 at 10.00am in the Housing Centre, 2 Adelaide Street, Belfast.

Further information on any matters in this document can be obtained from:

Mr Jonny Blease

Head of Corporate Communications and Secretariat
6th Floor
The Housing Centre
2, Adelaide Street
Belfast BT2 8PB

Telephone: 028 90240588 Extension 2700

Web Site: www.nihe.gov.uk

Email: info@nihe.gov.uk

Members Present: Mr Brian Rowntree (Chairman)
Mrs Anne Henderson (Vice Chair)
Cllr Eamonn O’Neill
Cllr Sean Begley
Mrs Edna Dunbar
Mrs Angela Coffey
Dr Monica Wilson

Apologies: Cllr Jenny Palmer
Mr Ken Millar
Cllr Jim Speers

INDEX

GOVERNANCE AND ACCOUNTABILITY	3
1.0 Business Plan Monitor	3
2.0 Housing Executive Draft Corporate Governance Manual	4
3.0 Draft Annual Report 2011/12	4
4.0 Annual Accounts 2011/12	5
5.0 Updating of Standing Orders with Revised Procurement Control Limits (1st reading)	5
STRATEGIES AND POLICIES	6
6.0 Housing Market Renewal Approach to Regeneration	6
7.0 Response Maintenance Competency Framework	6
8.0 Supporting People Programme Update	7
9.0 Traveller Accommodation Update 2012.....	8
10.0 Fire Door Replacement Programme	8
11.0 Multi Discipline Consultant Procurement Strategy	9
12.0 Privately Financed Solar Electricity Scheme for NIHE Stock.....	9
13.0 Home Loans Scheme – Mortgage Interest Rate.....	10
14.0 Demolition of 22 Drumbawn Close, Enniskillen	10
15.0 NIHE Information & Communication Technology (ICT) Strategy 2011 .	10
16.0 HMS Update	11
OTHER BUSINESS.....	12
17.0 NIHE Scheme Approvals	12

GOVERNANCE AND ACCOUNTABILITY

1.0 Business Plan Monitor

1.1. The Board noted the Housing Executive's Business Plan Monitor for the second month of the new financial year. The Monitor shows progress against the Business Plan's four Corporate Objectives:

1.2. Performance against the four Corporate Objectives in the Housing Executive's Business Plan included:

- Objective 1 -Delivering better homes

Start 1,000 general new build units – There has been one new build scheme started, however no supported housing schemes have started. The programme is being re-profiled to deliver more starts earlier and throughout the year.

New Build Completions of 1,200 – To date there have been 35 units completed. It is expected that the bulk of completions will be during the middle and end of the year due to the number of starts commenced in the final quarter of 2010/11 (contracts are normally longer than 1 year depending on the size of the development).

HMO Statutory Registration Scheme – Performance to date shows 17 registrations in April and 23 in May totalling 40 in the first two months. The performance for enforcing HMO standards is above target for the year to date at 389 registrations against a target of 326.

Upgrade the energy efficiency of at least 4,600 NIHE properties – This KPI includes heating installations, heating adaptations and some ECM work. Double glazing is now reported as a separate KPI. Performance to date was 116% giving starts of 1,190 against a target of 1,026.

- Objective 2 – Supporting Independent Living

Start heating adaptations to 160 NIHE homes – To date 18 have been completed against a target of 26. There are on-going procurement issues which are being addressed.

Start 200 extensions to NIHE homes – To date 13 starts have been made against a target of 20. Performance for lifts and showers are above target.

Approve 1,400 Grant adaptations in the private sector – Performance for the year to date is 88%, 226 against a target of 258.

- Objective 4 – Delivering Quality Services

Ensure total arrears at 31 March 2013 show no increase from level at 31 March 2012 – Total arrears at the end of May are £14.432m. The variance against the target for the month is £182k and to date is £444k.

Re-let properties within 30 calendar days – Performance shows an average of 46 days for the year to date. However, difficult to let properties which are not part of this KPI have not yet been excluded from the figures to date.

Process new Housing Benefit claims within an average of 25 days – Performance is at 98% for the month, an average of 25.5 days. Processing change of circumstances performance is 8.5 days, just above the target of 8 days.

- 1.3. Performance for the first two months of the year has been generally good. There is still one KPI to be agreed for HMO Registrations. The year ahead will continue to be a difficult operating environment and management will work to ensure that performance is optimised within the resources available.

2.0 Housing Executive Draft Corporate Governance Manual

- 2.1. **The Board approved the Corporate Governance Manual and noted the action taken to address the governance review recommendation relating to the review of governance documents.**
- 2.2. The DSD Governance Review 2010 recommended the development or revision of a number of Housing Executive governance documents including the Code of Practice for Housing Executive Board Members.
- 2.3. The decision was taken that rather than review the Code of Practice in isolation, the organisation should develop a Corporate Governance Manual encompassing all new and revised governance documents and include the Housing Executive's:
 - Legislative background;
 - Governance structure;
 - Board and Committee Terms of Reference; and
 - Key policies and strategies.
- 2.4. Since the governance review a number of key governance actions have been taken including the development of the Board and Senior Management Terms of Reference, reviews of Standing Orders and Board Scheme of Delegations, Staff Code and Gifts and Hospitality guidance and progress made on the establishment of a single interest register.

3.0 Draft Annual Report 2011/12

- 3.1. **The Board approved the draft Annual Report for 2011/12.**
- 3.2. The Report has been prepared in accordance with guidance from the Northern Ireland Audit Office and the Government Framework Manual. A summary Annual Report will be prepared similar to last year and details of performance will be published in the autumn edition of Housing News.

4.0 Annual Accounts 2011/12

- 4.1. The Board approved the Annual Accounts for the year ended 31st March 2012.**
- 4.2. The Annual Accounts are presented in accordance with the Accounts Direction given by the Department for Social Development with the approval of the Department of Finance and Personnel, in accordance with article 21(2) of the Housing (NI) Order 1981.
- 4.3. The financial statements comply with the accounting and disclosures requirements of the Government Financial Reporting Manual (FReM) as applicable to Non-Departmental Public Bodies and International Financial Reporting Standards (IFRS).
- 4.4. It is anticipated that the Audit of the Accounts has been completed by the Northern Ireland Audit office, and the accounts were signed off by the Comptroller and Auditor General at the end of June. The Accounts will be laid before the Northern Ireland Assembly within two weeks.
- 4.5. The Annual Report and Accounts will be designed and published by mid August 2012.

5.0 Updating of Standing Orders with Revised Procurement Control Limits (1st reading)

- 5.1. The Board approved, under a first reading, the amendment to Standing Orders at B32 with the revised new NI Procurement Board Procurement Control Limits.
- 5.2. Standing Orders are to be updated with Revised Procurement Control Limits as issued by the Northern Ireland Procurement Board. These revised limits have now been incorporated into Northern Ireland Public Procurement Policy (NIPPP). As the Northern Ireland Housing Executive is a Centre of Procurement Expertise and subject to NIPPP Standing Orders are to be updated accordingly.
- 5.3. Under the terms of Standing Orders the Board must be apprised at two separate and consecutive meetings, of the request to amend Standing Orders. This is the first request for approval, and the second request will be submitted to the Board at its July sitting.

STRATEGIES AND POLICIES

6.0 Housing Market Renewal Approach to Regeneration

- 6.1. The Board noted the general direction of travel to deliver Housing-Led Regeneration.
- 6.2. A joint DSD/NIHE Housing Need Working Group recommended the research and exploration of a more innovative approach to regeneration in less popular areas and communities. Four pilot schemes have been developed as requested by the Minister.
- 6.3. A small working group will now be established to design a Housing Executive Housing-Led Regeneration Policy and cognisance will be given to the work of the Housing Market Renewal (HMR) approach in England and Wales to regeneration and the DSD Neighbourhood Renewal Strategy. An analysis of the approach will outline a methodology that can be adopted and introduced within the Housing Executive. This will include the selection criteria of areas, the range of housing instruments and approach required to deliver a Housing-Led Regeneration package.
- 6.4. The Housing–Led Regeneration package will draw on the existing housing options such as refurbishment; stock transfer; intermediate/affordable housing and include the support package to attain community sustainability and good relations outcomes.
- 6.5. In the development and delivery of the Housing-Led Regeneration Policy the Housing Executive will not be working in isolation and will seek to engage a regeneration partnership with other relevant statutory agencies to ensure the sustainability of this approach.

7.0 Response Maintenance Competency Framework

- 7.1. The Board noted the approach to redesigning and delivering a competency framework as part of the response maintenance improvement plan.
- 7.2. Following recent Audit and RIU reports in the Area of Response Maintenance, Management have decided as part of the Response Maintenance Improvement Plan, to develop a Competency Framework to assist in further developing and improving the skills base in Response Maintenance.
- 7.3. The design and delivery of the programme will be overseen by a steering group led by the Director of Housing and Regeneration and the Assistant Director's of Business and Programme Management (B&PM) and Estate Services.

A design steering group consisting of B&PM and Response Maintenance Policy staff will agree the design, development and timeframe of the units.

The Response Maintenance Policy Manager will also quality assure the training content.

A design team, consisting of trainers and policy staff will complete the design of units supported by L&DS staff.

- 7.4. The Competency Framework will be developed in line with policy and procedural requirements and to meet accreditation standards.

8.0 Supporting People Programme Update

8.1. The Board noted the business update on the delivery of the Supporting People (SP) Programme for the year 2011/12.

- 8.2. Through the administration of the SP Programme, the Housing Executive has continued to secure an extensive range of high quality and strategically planned housing related support services which are cost effective and provide value for money. Supporting People currently funds 107 provider organisations delivering approximately 850 schemes, both accommodation-based and floating support. These schemes provide services to 17,000 vulnerable people at any one time with a throughput of an additional 6,000-8,000 during the year.
- 8.3. Funding for existing services remains baselined for the 5th year in a row, representing a reduction in real terms of 16% over the 5 year period. This in itself assists in providing value for money but is clearly causing difficulties for many providers.
- 8.4. From the 2011/12 Supported Housing Development Programme, eight schemes went on site and 12 schemes slipped to the 2012/13 programme. For the 2012/2013 Supported Housing Programme the current needs assessment is being reviewed with the Regional HSC to ensure that only priority schemes are delivered.
- 8.5. During 2011/12, two new schemes came into operation and 8 schemes were remodelled. Contingency funding of approximately £0.5m was provided for service remodelling, deficit funding and one off service initiatives. Two services were decommissioned; each receiving less than £100k.
- 8.6. Building on the work of previous years, one further merger took place over 2011/12 involving 2 providers (Clanmil Housing Association and Dungannon Housing Association). A number of other providers have commenced work on collaborative working or mergers, particularly the Women's Aid groups.
- 8.7. In order to ensure that services continue to meet strategic objectives and remain eligible for SP funding, services are monitored and reviewed through a robust Contract Management Framework.

9.0 Traveller Accommodation Update 2012

- 9.1. The Board noted the update on key issues affecting the provision of Traveller accommodation particularly with regards to legal issues, accommodation provision needs assessment and challenges to be addressed.**
- 9.2. There are several key issues impacting on the provision of accommodation for Travellers – legal issues, progress on accommodation and site identification, traveller accommodation needs assessment and programme; and other challenges in progressing site provision.
- 9.3. The current Traveller Needs Accommodation Programme is reviewed on an annual basis. Traveller accommodation needs assessments are carried out on a 5 year basis. A review is scheduled for 2013 and is included in the NIHE Research Unit Programme.
- 9.4. Another key component for the assessment of accommodation needs is the numbers of reported unauthorised encampments. The trend over the last 3 years has shown significant reduction in the numbers of unauthorised encampments. However, based on the findings of the 2008 Needs Assessment the Housing Executive continue to look for suitable lands for site provision in Newry, Belfast and Craigavon.
- 9.5. There have been ongoing issues with regards to the sustainability of the Traveller support sector; in particular the demise of Derry Traveller Support Group and An Munia Tober, Belfast. Further to this Craigavon TSG are currently experiencing difficulties with securing funding beyond June 2012 which may lead to this service closing. This has the potential to impact significantly on the 3rd Comprehensive Accommodation Needs Assessment where previously the Housing Executive has liaised with this sector in completion of previous assessments in 2002 and 2008.

10.0 Fire Door Replacement Programme

- 10.1. The Board noted the update on the ongoing development of the Fire Door Replacement Programme.**
- 10.2. A Fire Door Replacement Programme has been developed to replace entrance doors to sold flats' with new fire doors, updating in line with recent legislation and counsel opinion.
- 10.3. It was estimated that around 18,200 flats/maisonettes would require replacement fire door sets. To date some 1,500 have already been installed, with a further 5,100 to be addressed in this year's programme. Six schemes involving 662 dwellings have already started on site. Areas are currently formulating programmes for 2013/14 and 2014/15; this exercise should be completed by September this year.

- 10.4. The programme will continue to be delivered in 2012/13 by the Revenue Replacement/ECM Egan contractors until the end of their contracts and thereafter, through the new Planned Schemes procurement.

11.0 Multi Discipline Consultant Procurement Strategy

11.1. The Board approved the Strategy for the construction related Multi Discipline Consultant Procurement and the proceeding with the publication of the Contract Notices for procurement.

- 11.2. The Multi Discipline Framework will provide the necessary professional services for Planned Schemes , mainly revenue replacement, external cyclical maintenance, local area priorities, adaptations for persons with a disability and other capital schemes.

- 11.3. It is proposed there will be 9 lots awarded under this framework agreement based on 3 lots in each of the new Housing Executive Regions; Belfast, North and South Region.

- 11.4. The Corporate Procurement Department will now proceed with the publication of the Contract Notices in the Official Journal of the European Union and the Housing Executive website and then proceed to tender.

12.0 Privately Financed Solar Electricity Scheme for NIHE Stock

12.1. The Board approved the establishment of an inter-divisional project team to assess the options and identify a preferred option.

- 12.2. The Housing Executive has been approached by 2 private companies regarding a privately financed solar electricity scheme for NIHE dwellings. Solar panel electricity systems, also known as solar photovoltaics (PV), capture the sun's energy using photovoltaic cells. The cells don't need direct sunlight to work - they can still generate some electricity on a cloudy day. The cells convert the sunlight into electricity, which can be used to run household appliances and lighting. In recent years in GB, where landlords or home owners cannot finance their installation, privately financed "rent a roof" schemes have developed rapidly. Essentially they are schemes where a private company pays for the installation and maintenance of solar PV panels in social housing; the landlord doesn't pay for anything. The tenants benefit from free electricity during daylight hours but the private company recoups its investment and makes a profit on the money generated from the Feed in Tariff (FiT) and energy export tariff. From a fuel poverty point of view it could be worth between £100 and £180 per year off tenants' electricity bills, depending on patterns of electricity use.

- 12.3. Advice from the Procurement Dept is that we could develop a scheme here but we would have to tender for it. Although the Housing Executive is not actually buying anything, a private company would be receiving a

benefit from any scheme in which we participate. A check on the Energy Saving Trust website revealed that there are at least 21 private companies throughout the UK currently financing similar schemes, which demonstrates that there is a competitive market for projects. Internet research showed that in GB, some companies also shared some of the income from “rent a roof” schemes with the landlord, thereby creating a revenue stream. Research also confirmed that a number of local authorities in GB have undertaken similar schemes only after going through a public procurement exercise.

- 12.4. In researching similar schemes in GB, another scenario to be considered is whether or not the Housing Executive should finance the proposal itself. All the independent advice suggests that if property owners can afford to make the investment they will enjoy the potentially lucrative benefits themselves, creating an attractive revenue stream for up to 25 years.
- 12.5. An inter-divisional team will be established to assess the various options for the organization and recommend a preferred option for the Board’s approval.

13.0 Home Loans Scheme – Mortgage Interest Rate

- 13.1. **The Board approved an increase in the mortgage interest rates charged on existing loans issued in respect of applications under the Home Loans Scheme to 9.25%. The Board also approved that approvals of future rate changes are delegated to the Director of Finance.**

14.0 Demolition of 22 Drumbawn Close, Enniskillen

- 14.1. **The Board approved the demolition of 22 Drumbawn Close, Enniskillen and the completion of remedial works to secure the adjacent property subject to approval of the Department for Social Development.**

15.0 NIHE Information & Communication Technology (ICT) Strategy 2011

- 15.1. **The Board noted the updated Information and Communication Technology Strategy following the review carried out in late 2011.**
- 15.2. The Housing Executive has reached a key point in the development and use of Information and Communication Technology. Over the past 5 year strategy period, the Organisation has invested heavily in technology and has achieved its aspirations with regard to the Modernising Services agenda, along with many changes and improvements to the way we work and the way in which our customers access Housing Executive Services.

- 15.3. Moving forward, the business agenda is changing and ICT is one of the key components at the heart of efficiency and modernisation. This means a renewed focus on developing and maximising the return from the investment made to date, investing in projects that have the greatest potential for return, and ensuring that we are using technology to deliver better public services.
- 15.4. Given the current economic climate it is important that the ICT Strategy is cognisant of budgetary pressures, and affordability must be a key consideration moving forward.
- 15.5. The strategy aims to provide a framework for the delivery of services to our customers, to build a reliable and resilient technical infrastructure which is both cost-effective and sustainable, and to keep environmental costs to a minimum.
- 15.6. In putting together the Strategy, a number of areas of development have been identified from the strategic themes. These areas of development point to opportunities for the Organisation in terms of where ICT can transform the way we operate and deliver services.
- 15.7. The smart application of ICT technologies can create many opportunities for entrepreneurial innovations and ICT can bring opportunities for change and opportunities to reduce expenditure. ICT holds great promise in this respect and with this in mind the Housing Executive is committed to research and develop solutions that add value and can bring benefit to our business.

16.0 HMS Update

- 16.1. **The Board noted the progress with the HMS implementation. All major Phase 2 matters have been dealt with and any ongoing issues arising are now being dealt with as normal line of business. Phase 3 went live on 30th May this year.**
- 16.2. There were a number of outstanding faults with the Heating Services module which meant that this has not yet been activated as intended on 30th May. The timetable for resolving these issues and carrying out the necessary configuration will allow the module to be implemented in line with the letting of the new heating contracts on 25th June.
- 16.3. The HMS Project Board, in considering the Phase 3 go-live date, has agreed that a number of products will be brought to completion as post-project activities.

OTHER BUSINESS**17.0 NIHE Scheme Approvals**

Scheme	Work Content	Start Date
North East Area		
Woodland House & Beechwood House, Newtownabbey 21.73.0003	Health & Safety Works to 56 flats	March 2013
Medium Rise Flats Newtownabbey 21.73.0004	Health & Safety Works to 432 dwellings	August 2012