About us

We are a small, community-based housing association with 255 general needs rented homes in and around Barnsbury, in Islington.

Our **Mission** is *to provide quality affordable rented housing and a quality service.*
Our **Vision** is to *help keep Barnsbury affordable and the community thriving.*
Our **Values** are to:

- be responsive and caring
- know our residents as individuals
- help build self-reliance in our community
- be open and accessible
- be nimble and creative, willing to try new things
- be a connected and effective partner
- aim high and punch above our weight

About this self-assessment

Our regulator, the Homes & Communities Agency, requires all registered providers to publish a self-assessment each year to demonstrate to stakeholders how they are delivering Value for Money (VfM). This is our fifth self-assessment and we hope that it provides a useful insight into how we are performing and how we are challenging ourselves to deliver better VfM.

What VfM means for us

VfM is at the heart of what we do. We aim to spend our money wisely and strive to hit the right balance between the costs of providing our service, how well we perform and customer satisfaction. Getting this balance right is critical, in light of the 1% rent reduction and the conscious shift we have made to increase our investment in the provision of new affordable homes for rent.

We achieve VfM by:

- ensuring we are as effective as possible in collecting income
- delivering efficient services to residents,
- understanding our financial capacity and using it to support future growth
- investing in our homes to maintain their value
- understanding and benchmarking our costs.

Our VFM highlights in 2016/17

During the year, we:

- **made a surplus of £562,000 (with an operating margin of 27.8%), giving us the capacity to invest in new homes for rent**
- **developed a 30-year financial model, allowing us to assess our growth capacity and significantly increase our future growth targets**
- **started the process of raising an £8 million loan to support our future development ambitions**
- **carried out an options appraisal on our stock, identifying opportunities to provide new homes for rent on existing land**
- **successfully tendered for the transfer of 40 homes from another landlord, creating economies of scale and making us more efficient**
- **undertook a governance review, which has streamlined our governance structure, reduced cost and increased effectiveness**
- **carried out a review of community development, with the aim of targeting our resources more effectively, increasing participation and so getting better value from our investment**
- **secured more than £41,000 additional income for tenants through our money and welfare advice service, helping to reduce arrears and ease money worries**
- **finally started construction of four new homes on a site we had owned for many years, creating new homes and making better use of our assets**

How our Board leads on VfM

We have a skilled Board of 11 members which ensures we deliver VfM by:

- setting a culture of cost control and strong budget management
- approving our Business and Operational Plan, making sure that they deliver against our purpose and objectives
- approving our VfM statement and policy
- reviewing our costs relative to others each year
- setting stretching annual budget and performance targets
- monitoring performance against targets at each meeting

How we compare to others

One of the main ways we judge whether we are delivering VfM is to compare ourselves with similar organisations. We are a member of the BM320, a group of 15 small housing associations working in and around London. As well as sharing good practice we benchmark our costs and performance each year. The table on page 5 shows our performance compared to this group.

In summary, it shows that:

- across a range of cost measures (housing management, responsive repairs costs and operating costs) we continue to perform well compared to others
- we spend considerably more than average on major and cyclical works – 2.5 times that of our peers
- we perform worse than average on rent arrears, showing that we are not maximising our income, though we have improved on last year
- we relet our homes more quickly than average, though lose more rent through voids than average as we often take the opportunity to update our properties when they are void.

Across a number of satisfaction indicators, we are lower quartile. However, this data relates to our last survey in 2014 and we have invested considerably in our repairs service since then. Satisfaction with more recent repairs is, anecdotally, higher and we rarely get complaints regarding our repairs service or stock investment programme. We will be carrying out a new survey next year.

Our housing management service

We offer a tenant-focused and responsive housing management service. Our tenant arrears reduced slightly in 2015/16 from 4.78% to 4.2%. While this is positive they remain lower quartile compared to our peers. However, our costs of housing management are very low compared to others, at £176 compared to a peer group average of £457 and a HouseMark average (a group of much larger associations) of £275.

We let 13 homes in 2016/17, 11 of which were relets and 2 were mutual exchanges. Excluding the times properties were being refurbished, it took us an average of 14.7 days to relet each home. This compares very favourably to other providers and is firmly in the top quartile.

Our maintenance service

Looking at our repairs service, benchmarking paints a mixed and interesting picture. Our cost per property (CPP) of responsive repairs is average for our peers. However, we carry out more repairs per property than our peers (3.9 compared to 2.6) and undertake broader range of repairs for our tenants than other housing associations. Our efficiency may act against us as tenants report repairs that they might otherwise have carried out themselves as they know they will get a speedy response.

This is an example of where we may not have got the balance between cost and performance right. We intend to review our approach to make sure we are striking the right balance between what we do and what we expect of our tenants, so we can deliver better VfM and a fair service.

Investing in our homes

Central to our property strategy are the long-term relationships we enjoy with our key contractors who carry out a rolling programme of kitchen, bathroom and electrical/boiler upgrades. While their costs are slightly higher than peer benchmarks, the contractors provide a full service including design, tenant liaison and project management. They also get excellent feedback from tenants.

Our main estate is over 40 years old and has been the subject of considerable investment in recent years. Our CPP on major repairs is, at £2,933, over double that of all comparators. However, now that this programme is coming to an end, and in light of benchmarking, we commissioned a Stock Condition Survey in 2016/17 to fully assess our stock investment needs. This is being carried out during the summer and will inform our budget setting for 2018/19.

On the basis of this we will also review how we approach our future major works to ensure we continue to achieve a high-quality service and good VFM. Our roof replacement work carried out during 2016/17 was tendered to ensure best value and was managed within time and budget.

Developing New Homes

We are committed to developing more affordable rented homes in what is one of the least affordable parts of London.

In recent years, we have had an opportunity-led approach to growth, with small schemes developed every few years. During 2016/17 the Board decided to take a more proactive, ambitious approach and use our financial capacity to provide more affordable rented housing. We commissioned a 30-year financial model in order to assess our development capacity and then agreed a Development Strategy with a 20% growth target over the next five years.

In support of this strategy we then:

- undertook a capacity study on our main estate, identifying the opportunity to develop up to 14 new homes in undercroft garages
- went on site with Eden Grove, a long-standing development project which will produce four new homes for social rent
- successfully bid for the transfer of 40 sheltered properties from another landlord undertaking a stock consolidation exercise

All three of these are currently progressing well. We hope to complete the stock transfer in late 2017, start on site with the garage conversions during 2018 and complete our new build project in Spring 2018.

We acknowledge our close working relationship with Islington Council. We are strongly committed to this partnership which helps provide more genuinely affordable housing in the borough and are grateful to them for their continuing support and funding.

Running an efficient business

One of the challenges as a small organisation of comparing costs is that even small changes in expenditure can have a significant impact on benchmarks. Last year we spent more on cyclical maintenance than the previous year which has reduced our overall costs and surplus. It is therefore important that we take a longer-term view of costs and gauge overall trends. The key points on our overall costs are:

- our annual surplus (£562k) is lower than the previous year, but our operating margin compares well
- our operating cost per property is £111 per week, well above our peer group average of £93.82
- our operating cost as a percentage of turnover is 72%, below the average of 74%. Costs have slightly increased since last year but this is largely down to variations in our stock investment programme.
- our weekly management cost per property is, at £24.21, above average
- our overheads, at 15.9%, are considerably lower than the average of 22.3%, and on par with those of larger organisations who enjoy economies of scale.

One of the key challenges - and highest area of cost - of running a small organisation is staffing. The average number of homes managed by each member of staff is 36.4, just higher than our peer group average of 35.4. We have a skilled and committed team and deliver our service cost effectively by:

- making use of flexible and part-time working at all levels
- having lower than average rates of absence: less than 4 days a year for each member of staff
- benchmarking our annual pay award to ensure salaries remain fair yet competitive.

Community investment

Investing in our local community is a key part of our purpose and, in the past, we have committed significant funding to this aspect of our work. During the year we decided to undertake a fundamental review of our activity and commissioned a local partner, Help on Your Doorstep, to carry out detailed research into tenants' views of the effectiveness of our programme and future priorities. They have recently reported and we are using the findings to redesign our community investment programme with residents, ensuring it has the maximum reach and meets residents' needs and aspirations.

Other aspects of our community development role bring added value to our residents and the community in which we work. These include:

- operating a key worker scheme, with three bedsits let during the year to people on low incomes working in Islington, bringing economic benefits to the borough
- a confidential money and debt advice service run in partnership with St Mungo's. In 2015/16 this brought in over £41,000 of additional income and benefits to our tenants, over four times its cost
- a bursary scheme which supports tenants in education or employment
- a ball court, large communal garden and play area on our main estate, all used by the wider community and local school
- providing a small office on our main estate for use as a community hub and by the Tenants' Association
- operating a patrol service on and around our main estate to reduce anti-social behaviour in the local neighbourhood
- partnerships with the local Food Bank and Home Bank to ensure that our residents in most need are able to access emergency assistance.

Our plans for 2017/18

We have identified a number of areas where we feel we can deliver improved VfM. During 2017/18 we will:

- **Bring forward plans to convert a number of garages on our estate to create new homes, therefore making sure that we are maximising the use of our resources**
- **Explore other opportunities to make best use of our stock and increase our return on investment**
- **Successfully complete the transfer of 40 homes from another landlord, thus improving economies of scale**
- **Carry out a stock condition survey to enable us to better target our annual planned maintenance fund and ensure that we are gaining maximum life from building components**
- **Introduce an electronic Board administration system to help reduce the costs associated with servicing board meetings**
- **Implement a new evidence-based approach to our community investment, with a stronger focus on outcomes**
- **Put in place a new contract for gas safety, based on a value for money and quality assessment**
- **Review our voids and lettings process with the aim of streamlining the process, reducing lettings times and improving resident satisfaction**
- **Introduce more electronic communication with residents to reduce costs and improve accessibility**

Performance Indicator	PI code	Barnsbury 2013/14	Barnsbury 2014/15	Barnsbury 2015/16	Barnsbury 2016/17	Peer group (BM320) median	SPBM median	Housemark median
		Our performance over time						
Repairs & maintenance								
Number of responsive repairs per property	SWBM200	n/a	n/a	3.91	**n/a**	2.38	3.29	3.52
Average weekly cost per dwelling of responsive repairs	RC01	£7.70	£4.84	£12.84	**£12.24**	£12.24	£8.35	n/a
Average end-to-end time for all reactive repairs	HMPI 90	n/a	n/a	7.26	**n/a**	6.6	6.6	9.11
Satisfaction - repairs and maintenance (from BHA 2014 survey)	HMPI 102	79.0%	79.0%	79.0%	**79.0%**	83.3%	84.8%	80.0%
Satisfaction with quality of the home	STA 002 GN	84.0%	84.0%	84.0%	**84.0%**	96.0%	95.0%	93.6%
Major works and improvements								
Cost per property - Major and cyclical works	CPP 03	n/a	n/a	£2,582	**£2,933**	£1,263	£925	£1,405
Cyclical maintenance spend per property per week	RC 02	n/a	n/a	£20.60	**£26.62**	£6.00	£3.82	n/a
Major works spend per property per week	RC 03	£54.15	£24.45	£30.13	**£29.64**	£12.23	£10.31	n/a
% dwellings with a valid gas safety cert	G15C0	99.6%	100.0%	100.0%	**100.0%**	100.0%	100.0%	100.0%
Ratio of responsive to planned repairs	SS403	n/a	n/a	n/a	**0.21**	0.37	0.58	n/a
Housing Management								
Average rent (2 bed)	SWBM030	n/a	n/a	n/a	**£142.97**	£119.17	£97.42	n/a
Cost per property of Housing Management	CPP 01	n/a	n/a	£192.58	**£175.81**	£457.21	£389.59	£275.21
Rent collected as % rent due	HMPI 210	98.2%	100.0%	99.9%	**101.0%**	100.55%	99.99%	99.94%
Current tenant arrears (%)	HMPI 220	4.29%	5.00%	4.78%	**4.20%**	3.53%	2.60%	2.55%
Voids and relets								
Average re-let time for empty homes (days) (excl. Major works)	GNPI 36	14	4.5	9.1	**14.7**	22.5	17	19.73
Rent loss due to empty properties (%)	GNPI 30	0.69%	0.00%	1.01%	**0.81%**	0.86%	0.46%	0.61%
Occupancy rate (%)	SS402	n/a	n/a	n/a	**98.43%**	99.83%	99.52%	n/a
Operating costs								
Weekly Operating Cost per unit	GNPI 25	£95.08	£83.36	£87.53	**£111.23**	£93.82	£89.96	n/a
Operating Cost as % of Turnover	GNPI 26	72.4%	62.0%	62.9%	**72.1%**	73.9%	74.1%	n/a
Operating Margin (%)	SS102	-	-	-	**27.6%**	26.0%	25.9%	n/a
Return on capital employed	SS401	-	-	-	**5.15**	4.9	3.7	n/a
Overhead costs as a percentage of turnover	CPP 04	n/a	n/a	16.5%	**15.9%**	22.3%	15.2%	10.6%
Headline social housing cost per unit	SS501	-	-	-	**£5,784**	£5,276	£4,379	n/a
Average weekly management cost per dwelling	GNPI 03	£18.10	£15.57	£20.33	**£24.21**	£22.66	£17.50	n/a
Satisfaction with overall services	STA 001	89%	89%	89%	**89%**	92.0%	92.5%	90.8%
Average number of days lost due to sickness absence	BV 12	0.43	2.43	0.94	**3.93**	5.62	5.51	9.33
Average no. properties per FTE staff	-	35.6	35.6	36.4	**36.4**	36.4	n/a	n/a

Ke
Top quartile
Upper middle quartile
Lower middle quartile
Lower quartile