



VALUE FOR MONEY SELF ASSESSMENT STATEMENT JULY 2017

ISHA is committed to providing services that represent Value for Money for our customers and other stakeholders. For us, value for money means delivering high quality services that are cost efficient and valued by our customers and stakeholders. We want to continually improve our services to meet the changing needs of our residents, and to demonstrate that we have made best use of our resources in delivering our strategic objectives.

“By 2020, we want to be certain that the planned changes we have put in place are embedded in the way we work and have made a real difference to our customers and stakeholders. We are proud of our place within the community and we want to continue to be a valued partner in our core neighbourhoods. We have homes in the boroughs of Camden, **Hackney**, Haringey, **Islington**, Tower Hamlets and **Waltham Forest**. The highlighted areas are where we have most homes and where we will concentrate on building new homes. Providing an excellent service in all our neighbourhoods is our top priority.” ISHA’s Speaking up For Housing 2015-2020 Strategic Plan

Stephen Stringer
Chair of ISHA Board

ISHA, along with all regulated housing associations, is subject to a four year rent reduction from April 2016. Whilst the impact has been mitigated against, the decrease in income of over £2m year-on-year has had a significant negative impact on the ability to invest in new homes and services to our customers.

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EXECUTIVE SUMMARY VALUE FOR MONEY GAINS

SUMMARY OF OUTCOMES FROM 2016/17 VALUE FOR MONEY IMPROVEMENT PLAN

- **Implemented New Operating framework and restructured how we operate to match our new ways of working.**
Changes to how we operate were completed by September 2016, and launched at the beginning of October 2016. Improving communications and aligning our communications to our customer preferences is our top priority. The new operating framework has been developed to rectify the dysfunction of the previous structure and provide capacity for changes in future customer demand.
- **Reviewed and approved customer involvement strategy** which offers different customer scrutiny options including survey, programme, mystery shoppers as well as joint inspections
- **Annual Asset plans for external block and estate works sent to all customers.** ISHA benchmarks service charges with ARMA members.
- **Maintained an affordable version of shared ownership in high value areas,** by agreeing lower levels of S/O rent for high value areas
- **Improved Complaints** process with higher percentage of complaints being resolved at an earlier stage
- **Reviewed finance team structure** to increase capacity to drive process performance improvements across the organisation.

VALUE FOR MONEY GAINS IN 2016/17

Value for money gains have been achieved in the following areas:-

- Customer Newsletter communication was re-procured and savings have been delivered on providing a digital format, when preferred. Flexible ways of embedding information into emails has improved the targeting of information at particular groups in smaller information 'chunks'
- New operating framework and staffing structure in place October 2016 to provide improved customer focused service and greater cost control.
- Legal services procurement club HALA reduced legal costs and provided a range of other benefits including improved management information and training.
- Customer involvement in procurement of repairs and void programme that started April 2017
- Development costs of the North River Alliance were maintained due to our procurement framework, against a trend of increased build and land costs.
- ISHA is recognised as Trusted Delivery Partners in London by the GLA.
- Development strategy reviewed and approved alternative options for funding delivery of truly affordable homes
- Insurance was re-procured with annual savings of £102k

- New modern .NET housing and finance databases went live improving operational efficiency.
- Operational spend reviews leading to efficiencies of £50k per annum.
- 36 units taken back into ISHA management leading to operational efficiencies

BUSINESS PLANNING, RISK AND PERFORMANCE MANAGEMENT

ISHA's financial strategy underpins the 2015 2020 strategic objectives. Our first priority is to make sure that the business remains financially viable and protects service delivery to residents.

Our risk management framework takes account of both the risks and opportunities within the sector and wider economy and is aligned to our strategic priorities. Every year the Board formally reviews its appetite for risk, which sets the parameters for our business. At the last assessment the Board re-confirmed our risk appetite is **Cautious**. This means our preference is for safe delivery options that have a low degree of residual risk and may have limited potential for reward.

ISHA's Board formally monitors at every meeting our compliance with our funders' covenants and all other regulatory and statutory requirements.

We assess our long term viability to make sure our assets are protected by:

- Maintaining a record of assets and liabilities, and a method for making sure it is updated. We have improved this review by adding for 2016/17 a register of all contracts managed;
- Stress tested the business plan across a range of multiple scenarios that would break the plan. From these tests we have identified further key mitigations to protect the business from breach of viability.

We have integrated our risk and performance review cycle to make sure that the Board is reviewing key risk-informed performance.

Each month there is a performance monitoring meeting where managers from each department spend half a day reviewing actual performance against target. These performance reviews are also reported to the Board and Sub Committees.

Performance information our residents have asked for on a quarterly basis is on our website http://www.isha.co.uk/about_isha/our_performance.html .

VALUE FOR MONEY SCRUTINY

All Sub Committee and Board reports have a section for value for money. This helps ensure that value for money is scrutinised, reported and considered in our decision making process.

We annually assess our compliance with our code of Governance (NHF 2015 edition) and compliance with the regulatory code and Economic and Customer standards. We publish in our financial statements our compliance with these codes, and use the assessment as a further test of our risk management framework.

CUSTOMER INVOLVEMENT IN VALUE FOR MONEY

Our operating structure is designed around our customers' priorities for service improvement. Customer feedback is captured from pulse surveys about recent transactions, communications survey & satisfaction surveys, complaints and customer meetings,

The major area of dissatisfaction from customers is about closing the communication loop and not finishing off things, which was central to how we have changed how we work:

- All transactions come through customer services and are distributed to team and officer work tray;
- Managers are given alerts if the transaction has not been closed off within target
- Incomplete work trays are visible to teams, rather than individuals; which means transactions can be completed by others in the event a key person is absent.

The operating principles of our framework, agreed with staff, customers and Governance are:

- Empowering staff to deliver
- A single point of access to the organisation
- 70-80% of transactions completed at first point of contact
- There should be greater specialism beyond customer services
- Casework managed through auditable workflows
- Patches only for estate services

Improved quality assurance, contract management and health & safety compliance integrated onto the job roles. This restructure links to ambitions outlined in the 2015-2020 Strategic Plan. Continuous customer surveying is being carried out by a third party organisation to ensure that changes to service are being felt by customers.

The Annual Report to Customers is produced as a digital product to reduce costs and increase accessibility. The 2017 Annual report will cover the following Value for Money information

- Service levels 2015/16
- Our strategic objectives
- Summary of Value for money self-assessment by the Board
- Key areas for improving value for money
- Financial overview
- Where our income is spent

This Value for Money Self-Assessment is intended to compliment the Annual Report, publishing our latest HouseMark benchmarking results¹ and providing a greater level of detail and analysis.

¹ HouseMark 2015/16 Southern Traditional housing associations' peer group (32 members) published November 2016

ISHA BOARD ASSESSMENT 2017

The board's strategic priorities are to make sure that the following key things have changed by 2020:

- **Customer service** Our customers are at the heart of our organisation, and we will provide customer centred services.
- **Communications** Listening to our customers and aligning our communications to our customer preferences is our top priority.
- **Meeting Future housing needs** We plan to build a minimum of 400 new homes.
- **First class service delivery** Our first class service delivery will be based on the efficiency and effectiveness of our services from the customer's viewpoint.

The Board's 2017 value for money self-assessment includes the results of the updated benchmarking results published in December 2016, and has updated the improvement actions from this review. Improvement actions are aligned with the 2015-2020 strategic plan priorities.

The progress against the improvement plan is published in this report and is summarised in the 2017 Financial Statement

NEXT STEPS

The Value for Money strategy has been updated with 2015/16 benchmark results in December 2016. The Self-Assessment is on ISHA's website. A summary of the key priorities for the coming year is published in the Report from the Board section of the 2016/17 Financial Statements, and the customer value for money priorities are reported in the Annual Report.

The annual calendar for Value for Money reviews has been set as follows:

November	Benchmarking results published
December	Self-Assessment updated with benchmarking results and published on website
February	Customer review of Value for Money priorities
March	Board review benchmarking information against resident priorities and set actions for improvement for coming year
July	Self-Assessment updated with analysis of end of year results with updated review and commentary and published on website
September	Summary included in Financial Statement with reference to full self-assessment on the website and residents' priorities published in Annual Report.

ISHA GROUP BY NUMBERS

INVOLVED CUSTOMER PROFILE

Profile of involved customers	ISHA 14/15	ISHA 15/16	ISHA & Lien Viet 16/17	Lien Viet 14/15	Lien Viet 15/16	Lien Viet 16/17
% customers involved	22%	19%	25%	51%	30%	
% BME involved	59%	57%	37%	100%	100%	
% females	66%	63	64	48%	56%	
% males	34%	37%	36%	52%	43%	
<p>There has been a significant drop in BME customer engaging in events and activities with ISHA.</p> <p>Involvement from customers under 35 is significantly under-represented.</p> <p>ISHA and Lien Viet Involvement figures for 16/17 have not been separated for this analysis, because of the way the data was captured.</p>						

FINANCIAL METRICS

Finance	13/14	14/15	15/16	HouseMark Median Average 15/16	16/17
Adjusted net leverage ¹	33%	34%	32%	34%	31%
Growth in turnover	15%	42%	-2%	8%	-25%
Operating margin	35%	34%	38%	30%	31%
Weighted average cost of capital	4.5%	4.3%	4.4%	4.2%	4.3%
EBITDA (MRI)	188%	238%	229%	175%	172%

STOCK NUMBERS

	12/13	13/14	14/15	15/16	16/17
Total ISHA housing stock per HCA statistical data return returns (including social stock, leaseholders, shared owners and market rent)	1,856	1,960	2,084	2,172	2,265
Total Lien Viet housing stock, owned and managed	123	123	123	123	124
TOTAL Group	1,979	2,083	2,207	2,295	2,389

¹ Shows net debt as a % of total assets.

STATUTORY HIGHLIGHTS

ISHA LTD	12/13	13/14	14/15	15/16	16/17
	£'000	£'000	£'000	£,000	£,000
Turnover	16,598	19,045	27,078	26,528	20,009
Operating costs	(10,550)	(12,326)	(17,770)	(16,956)	(13,851)
Operating surplus	6,048	6,719	9,308	9,572	6,158
Surplus for the year	3,184	4,707	9,349	8,832	6,869
Total fixed assets (net of grant)	93,871	102,264	115,651	131,525	143,792
Capital and reserves	21,550	26,257	35,606	55,938	62,807
Capital grants received cash-flow	6,025	3,728	5,458	2,711	450

LIEN VIET LTD	12/13	13/14	14/15	15/16	16/17
	£'000	£'000	£'000	£,000	£,000
Turnover	791	935	1,064	1,112	1,165
Operating costs	(687)	(816)	(837)	(995)	(926)
Operating surplus	104	119	227	117	239
Surplus for the year	205	75	186	139	239
Total fixed assets (net of grant)	2,272	2,321	2,347	1,953	1,909
Capital and reserves	2,544	2,619	2,805	2,373	2,612
Capital grants received cash-flow	0	0	0	0	0

Strong property sales due to a robust London property market helped ISHA achieve another strong surplus in 15/16. (Note 15/16 is the first year of the new accounting SORP which has changed the calculation methodology of some of the headline figures above compared to prior years.) Full statutory accounts are available for download on the ISHA website www.isha.co.uk/publications.

RETURN ON ASSETS/ RETURN ON CAPITAL EMPLOYED

	12/13	13/14	14/15	15/16	16/17
Surplus for the year (ie net income) £'000	3,184	4,707	9,349	9,382	6,869
Average total assets £'000	101,826	111,168	129,397	148,755	158,504
RETURN ON ASSETS (ROA)	3.1%	4.2%	7.2%	6.3%	4.3%

	12/13	13/14	14/15	15/16	16/17
Earnings before interest and tax (EBIT) £'000	6,437	8,263	12,798	13,015	8,648
Capital employed £'000	96,719	108,152	127,939	144,128	148,810
RETURN ON CAPITAL EMPLOYED (ROCE)	6.7%	7.6%	10.0%	9.0%	5.8%

The return on our assets is linked to our overall asset management strategy and ISHA's strategic objective 3 "To maintain, improve and develop good quality and affordable homes in our key community areas of Hackney, Islington and Waltham Forest." The following should be noted from a value for money perspective.

A key priority for us is to maintain the condition of our existing housing stock. Each year part of our surplus is effectively being re-invested in repairs and capital works on our stock in line with our asset management strategy. For the last three years capitalised expenditure on our existing properties has been as follows:-

	12/13	13/14	14/15	15/16	16/17
Expenditure capitalised on existing properties £'000	585	547	885	1,419	974

During the last three financial years our decision to invest in new development has delivered additional new units that will contribute towards economies of scale in future years. We are proud of our contribution to alleviate the acute shortage of affordable housing in central London. New build has been as follows:-

New build²	12/13	13/14	14/15	15/16	16/17
New general needs properties built	94	36	0	0	0
New affordable rent properties built	0	21	67	64	41
New shared ownership properties built	49	47	84	25	21
Total new properties built	143	104	151	89	62

Surpluses have been generated on first tranche shared ownership sales which have increased the Association's reserves.

	12/13	13/14	14/15	15/16	16/17
Initial shared ownership sales surplus £'000	1,172	1,681	3,313	3,257	653

The Association holds 18 properties at market rent. Average market rent gross rental yields in Islington and Hackney based on the Association's portfolio are as follows:-

Area	Number of market rent properties	Gross rental yield
Islington	17	4.6%
Hackney	1	3.5%

The Association holds a number of commercial units. These include 33 units on short (up to 25 years) leases with an average rent per square foot of £27.

² Per Statistical Data Return

SDR type	Camden	Hackney	Islington	Waltham Forest	Total
General Needs	33	553	598	304	1488
Shared Ownership		185	60	110	355
Affordable Rent		76	18	90	184
Supported		6	40	7	53
Housing for older people...		30	11		41
Intermediate Re			1		1
Total	33	850	728	511	2122



This is an [interactive analysis](#) of ISHA's housing stock, as at 31 March 2017. Lien Viet has 158 homes, mainly concentrated in Islington and Hackney with fewer homes in the adjacent boroughs of Haringey and Tower Hamlets.

CONTINGENCIES

Remaining financially viable is the first priority of the association. All other planned activities, including development, are dependent upon our assurance and risk mitigation to maintain financial viability. As part of the [Asset Management Strategy](#), the Association through its Executive Team reviews all properties at re-let.

Properties are transferred to market rent in the event:

- the property no longer meets the needs of the people we prioritise to house or;
- the cost of upgrading the property to the home standard is uneconomic. The home standard includes bringing properties to a minimum of grade C energy efficiency.

This disposals strategy enables the Association to have earlier access to assets to release in the event that further surpluses are required to meet the test of financial viability.

Maintaining financial viability includes making sure that the Association has adequate surpluses and interest cover to meet its loan covenants and regulatory requirements. The Board approved the creation of a "subsidy pot" that must be achieved prior to contractual commitment.

These measures are considered adequate to mitigate against fluctuations in the market to maintain financial viability.

DELIVERING BETTER VALUE FOR MONEY

There are three strands to ISHA's drive to achieve better value for money, all of which are being actively implemented through the strategic plan.

Economies of scale

We have frozen our costs for the next 4 years to mitigate against the 1% rent reduction. We are committed building new homes to increase the number of homes for people who need housing in our areas. We will continue to improve our value for money through economies of scale through this growth.

Procurement of services ISHA Home Team

Over 2016/17 we re-procured our repairs contract. The procurement process was extended because we built in the ability to review the nature of the contract during its life, so that we can work out the most effective and efficient structure and on-going partnership to achieve an excellent repairs service for our customers.

Operating Framework

We have invested in modernising our systems to provide a fully customer focused service to all our customers. By October 2016 we completed a staffing structure to align our resources to our services and provide capacity for changes in future customer demand.

Our ambition by 2020 is to be certain that our planned changes are embedded in the way we work and have made a real difference to our customers and stakeholders. We are committed to making sure we provide a truly customer centred service that delivers a first class service.

EFFICIENCY SCORE CARD

A pilot is being run to look at better benchmarking efficiency across the sector through a Sector Scorecard. This has a set of 15 indicators with the aim for these indicators to become the mainstream way that efficiency and effectiveness are measured.

The launch of the scheme is planned for 2018, and we will revise our Value for Money self-assessment to take this benchmarking into account.

UNDERSTANDING DIFFERENCES IN UNIT COSTS

The HCA published [Delivering better value for money: understanding differences in unit costs](#) in June 16. This section highlights our costs for 2014/15 and how we compare to other HA's based on the information from the Regulator.

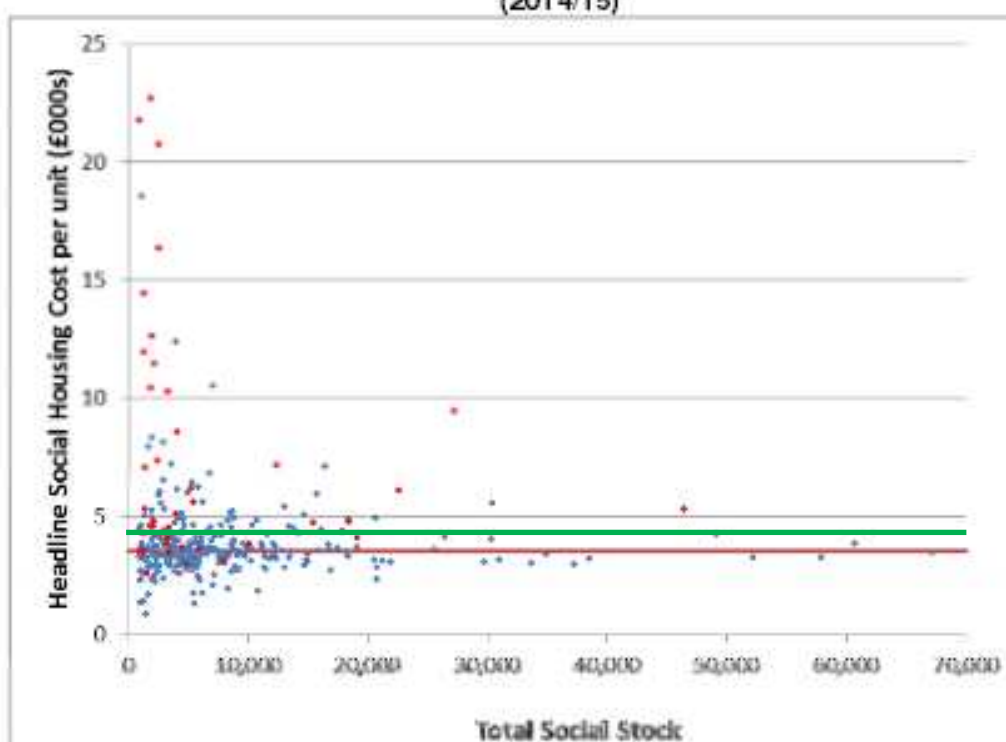
The Big Picture

This shows the social housing cost per unit by total social stock size for registered providers in England in 2014/15 (ie cost per unit on the Y axis and size of HA on the X axis). The red line is the sector average (£3.55k) and the green line is ISHA's cost (£4.59k). The dots represent the results for all the HA's in the sector.

Red dots represent HA's where more than 10% of stock is supported housing or more than 50% is housing for older people and you would expect these organisations to have higher than average costs as a result.

	Sector mean (weighted ²)	Median by provider (unweighted)
Management & service charge costs	£1,540	£1,360
Maintenance costs	£1,010	£980
Major repairs costs	£930	£800
Other social housing costs	£470	£200
Headline social housing costs	£3,950	£3,550

Figure 3: Headline social housing cost per unit by total social stock (2014/15)³



ISHA
£4.59K

MEDIAN
£3.55K

² Weighted by size of provider i.e. by total social units managed by provider at year end.

³ Median social housing costs per unit (£3,550) shown by the horizontal line. Red markers identify providers where more than 10% of stock is supported housing (excluding housing for older people) or more than 50% is housing for older people.

ISHA's results

ISHA's results and how they compare to the sector are set out on the next page.

It can be seen that ISHA is above average overall, but lower for management costs. The following factors help explain the differences:-

- The Regulator highlights in the contextual information that the “ASHE regional wage index” is 1.24 for London vs 1 for England as a whole. ie you would expect wage costs to be 24% higher in London.
- For management costs ISHA does not pay rent as we own the freehold of the office, this could contribute to lower than average costs shown in table on the next page.
- For service charges, many of our developments are “high end” in terms of specification (eg video entry phones) which comes with an additional associated cost. There is a high level of expectation in blocks with shared owners, many of whom have paid hundreds of thousands of pounds, in terms of service standards. However, by developing high quality, high spec units in expensive areas the Association has benefited from substantial first tranche and stair-casing surpluses. Overall, the surpluses from sales appear to justify the strategy that has been adopted by the development team.
- For maintenance and major repairs the total spend is £2.37k per unit. Whilst we have a strategic aim of maintaining our units in a good state of repair, this is higher than it should be on average in the long-term. There is an assumption in our business plan that to keep our stock in excellent condition in the long-term we will be investing £2.1k pa per unit on average in repairs, maintenance and capital works, so £2.37 is higher than where we want it to be. Our void standard is high, but this does not explain the difference. The re-procurement of the repairs contract is underway, and hopefully this will help.
- Other social housing costs are higher than average. This may well be to do with some of the services we provide such as outreach and moving home allowances being higher than average for 14/15.
- More detailed analysis of costs is in our VFM statement and the analysis of HouseMark benchmarking results.

ISHA'S COST DATA – 2014/15

Cost data:

Entity	Closing social housing units managed	Headline social housing cost CPU (£K)	Management CPU (£K)	Service charge CPU (£K)	Maintenance CPU (£K)	Major repairs CPU (£K)	Other social housing costs CPU (£K)
Islington and Shoreditch Housing Association Ltd	1,975	4.59	0.58	1.05	1.68	0.69	0.59
Sector level data							
Upper quartile		4.30	1.27	0.61	1.18	1.13	0.41
Median		3.55	0.95	0.36	0.98	0.80	0.20
Lower quartile		3.19	0.70	0.23	0.81	0.53	0.08

Provider - Key contextual information

Entity	% Supported housing	% Housing for older people	Provider type	Date of largest transfer	LSVT age	Region	ASHE regional wage index (England =1)	Group
Islington and Shoreditch Housing Association Ltd	2.7%	2.1%	Traditional			London	1.24	Islington and Shoreditch Housing Association Ltd
Sector level data								
Upper quartile	4%	15%						
Median	1%	8%						
Lower quartile	0%	4%						

VALUE FOR MONEY IMPROVEMENT PLAN 2017/18

Strategic Plan Objective	2017/18 Improvement Plan Target	Progress July 2017
Standards of how homes are maintained published in one easy to read document	Standard for all rented homes published on website March 2016. All literature reviewed, published and on website by October 2016, to match new operating framework.	Review in October 2017.
Accurate financial information available for customers to review their own account	Available after integration between financial and housing databases on customer portal 2016-17	Customer Portal to be launched at Have Your Say Day in August 2017
Customers are supported and advised by ISHA and LV to better manage their household costs	All customers with rent arrears given support and information leaflets reviewed and updated annually	Work is being done with Kypera to create reports to identify early intervention opportunities and enable targeted support to customers. October 2017
Increase Customer satisfaction with ASB case handling	<p>Reduce the number of Noise nuisance complaints which lead to high levels of dissatisfaction and increased numbers of cases closed unresolved. Introduced separate Noise Nuisance policy.</p> <p>ASB satisfaction surveys will be undertaken on all closed cases by Christian Action Housing Association which are independent to ISHA but who also have the experience and understanding of the issues faced by complainants of ASB.</p>	Monitor Customer Satisfaction Surveys for trends and issues. Review policy impact in April 2018.
Customers recognise how their comments have influenced service improvements	<p>You said We did extended to local meetings, changes to service captured and reported to HSSC annually.</p> <p>All team meetings to review customer feedback as agenda item.</p>	Annual report to Customers published September 2017. Big sample survey results to be shared via website in September 2017. Prioritised on ISHA's Customer Operations Agenda every 2 months.

Strategic Plan Objective	2017/18 Improvement Plan Target	Progress July 2017
	Customer survey feedback shared with staff to ensure feedback is taken into account in servicing plan. You said We did communicated in newsletters.	
Customers access their services and receive updates using their preferred method of communication.	Opportunities to share more via “Your Neighbourhood” section of website being maximised. Data being collect on preferred method of contact. Contact centre dealing with 90%+ of all enquiries at first point of contact.	Kypera implementation of customer portal delayed. Pilot will be implemented in August 2017. Channel selection is still manual process but working with Kypera to develop automated system in April 2018.
Consultation and publication of annual asset plan for every block	All plans sent to customers in June 2016.	Plans to be reviewed and reissued by April 2018.
Realistic and accurate investment forecasting of components of existing stock	Projected costs incorporated into Business plan and reported to Finance and Housing Sub Committee annually. Commissioning of Savills to work on Asset Performance March 2017.	Savills to report outputs to HSSC in November 2017. Asset plan to include investment strategy by end of April 2018.
Increase mobility and tenure change within ISHA and Lien Viet’s stock	Hold series of 4 open days, “help with moving” for all customers on a geographical basis. Further events have been held on Mutual Exchange and transfer list has been actively managed to match customers’ wishes. Roadshows used to promote mutual exchanges.	Next set of six Roadshows to be publicised by January 2018 Newsletter/website. New Roadshows in April 2018.
Have a radically modernised customer service that means our customers can access the services in the media they choose and at the time (24 hours) they want to conduct their business with us	Implementation of new web based housing software with CRM. Kypera HomeTeam project and staff restructure completed in Oct 16. “In Your Area” upgraded to give more information and self-service opportunities.	Customer portal pilot August 2017. ISHA Home Team and Kypera interface due in August 2017 which will allow repair data to be shared with customer portal.

Strategic Plan Objective	2017/18 Improvement Plan Target	Progress July 2017
<p>Customers are key contributors to the scrutiny of key service workflows</p>	<p>Cleaning and Gardening contract set up with customer scrutiny panel, customers involved in estate inspections and can change service on a local basis to meet their requirements. The introduction of a dedicated Neighbourhood Services Team, led by a Neighbourhood Services Manager enables ISHA to concentrate its resources on the management and monitoring of estate service contracts, ensuring the best value for money for our customers whilst improving standards. Customer Involvement strategy launched in March 2017 offers different customer scrutiny options including survey program, mystery shoppers as well as joint inspections. New repairs contract Core Group customer members recruited and being inducted.</p>	<p>Scrutiny Panel being recruited by Dec 2017. Cleaning Contract Review Group to be set up by December 2017 including customers to monitor effectiveness of cleaning contract. Large scale consultation on options appraisal for St Mary's Estate to tackle poor asset performance. First phase to complete by September 2017. Second phase starts by November 2017.</p>
<p>Increased customer satisfaction across our key services</p>	<p>Staff training for all ISHA 2015-16 incorporated into ISHA training plans. Restructure of service around operating framework (consulted with staff and customers) was completed October 2016. Range of service improvement plans in place while new structure beds-in. Customer satisfaction has increased over 12 months despite change programme. Customers offered choice of appointment times.</p>	<p>Review Big Sample Survey in August 2017 to identifying causes of dissatisfaction and feed into Budget and Business planning for 2018/19. Review feedback of first Scrutiny Panel Audit in January 2018 to change processes and procedures. Terminating poor performing cleaning/gardening contract September 2017. Plan to tackle dissatisfaction with damp/asset performance issues on St Mary's Estate due to be presented to customer in September 2017. Service Charge and Estate Plan</p>

Strategic Plan Objective	2017/18 Improvement Plan Target	Progress July 2017
		Consultation Meetings to be carried out by January 2018. CCTV/emergency lighting LED to be upgraded due to customer feedback by March 2018.
Demonstrate value for money in our services to customers against a quality and cost criteria, and publish our year on year improvements	Implement best practice and fixed fee which is accountable and transparent. Benchmark with ARMA. Repairs and empty homes contract retendered with customer feedback. Publish customer operations key performance indicators to customer via website and newsletter.	Service Charges are being reviewed in consultation with customers by January 2018. ARMA membership to be reviewed in light of other changes by April 2018. Review of service charge management fee in January 2018.
Procurement of contracts includes customer scrutiny and involvement	Partnering repair contract was tendered in 2016 and procured with customer input December 2016 to March 2017. Customers now involved in contract oversight via CORE group.	Cleaning Contract Review Group to be set up by December 2017 including customers to monitor effectiveness of cleaning contract. Gas Procurement in 2017 to involve customers. Cyclical procurement to involve customers in Sept 2017.
400 new homes built to ISHA's environmental sustainability standard	Due to phasing of development programme only 2 units are due to complete this year. A further 106 are currently on site and we plan to commit 81 further homes during the year. The balance of 157 dwellings to be committed in 2018/19 onwards.	62 homes handed over in the financial year ended 31 March 2017, making a total of 74 units complete to date
Customer engagement in building new homes	ISHA's design brief includes at least one further change suggested by customers and reported to customers.	During 2016/17 reviews of design brief has introduced 3 changes based on feedback from customers (drainage spec, CCTV and induction to renewables) our approach to defects management has also been reviewed.
Affordable version of shared ownership in	In conjunction with local authority partners	Board introduced lower levels of shared

Strategic Plan Objective	2017/18 Improvement Plan Target	Progress July 2017
high value areas developed	we plan to develop 25% of programme for shared ownership where incomes required are lower than £50,000.	ownership rent where necessary for schemes in high value areas

HOUSEMARK VALUE FOR MONEY SCORECARD 2015/16

Process					
	Value	Previous	Trend	Median	KPI
Rent collected from current and former tenants as % rent due (excl. arrears b/f)	99.7%	98.6%	★	99.9%	☺
Average re-let time (standard re-lets)	29.42	36.25	★	28.00	☺
Repairs completed at the first visit %	69.7%	81.0%	●	87.1%	●
Service charges collected as % service charges due (excl. arrears b/f)	102.0%	101.5%	!	NoData	!

Value					
	Value	Previous	Trend	Median	KPI
Satisfaction with quality of new home %	NoData	83.0%	●	93.9%	●
Satisfaction with service provided %	81.0%	81.0%	★	81.5%	☺
Satisfaction with repairs & maintenance %	78.0%	78.0%	★	71.9%	☺
Satisfaction with neighbourhood %	82.0%	82.0%	★	84.8%	☺
Satisfaction rent provides value for money %	74.0%	74.0%	★	79.7%	●
Satisfaction service charges provide value for money %	NoData	NoData	●	68.0%	●

People

	Value	Previous	Trend	Median	KPI
Staff turnover in the year %	14.5%	11.8%	★	21.7%	★
Sickness absence average days/shifts lost per employee	10.1	10.9	★	8.4	●
Staff satisfied with organisation as an employer %	NoData	NoData	●	83.0%	●

Business & Financial

	Value	Previous	Trend	Median	KPI
Total CPP of Housing Management	£941.17	£889.06	↑	£601.89	↑
Total CPP of Responsive Repairs & Void Works	£1,259.93	£952.76	↑	£915.45	↑
Total CPP of Major Works & Cyclical Maintenance	£1,537.98	£1,220.88	↑	£1,494.84	↗
Current tenant arrears as % rent due (excluding voids)	4.97%	5.67%	★	3.93%	●
Rent loss due to voids as % rent due	0.63%	0.55%	★	0.67%	⬆
Gross arrears written off as % rent due	0.24%	0.04%	★	0.37%	⬆

Trend Indicators

This represents your improvement in comparison to your peer groups's improvement.

Performance Indicators

These represent your performance in comparison to your peer group's performance.















Trend

This represents your improvement in comparison to your peer groups's improvement.











KPI

This shows how your actual performance or cost compares with your peer group

1.1. Key to KPI symbols


Performance	Cost
 = Your performance result is in the upper quartile of the peer group (top 25%)	 = Your costs are lower than three-quarters of your peer group (lowest 25%)
 = Your performance result is in the middle upper quartile of the peer group (between 25 & 50%)	 = Your costs are less than the average for your peer group
 = Your performance result is equal to the median of the peer group	 = Your costs are equal to the median of your peer group
 = Your performance result is in the middle lower quartile of the peer group (between 50 & 75%)	 = Your costs are higher than the average for your peer group
 = Your performance result is in the lower quartile of the peer group (between 75 & 100%)	 = Your costs are higher than three-quarters of your peer group (highest 25%)
 = You did not submit data for this indicator	 = You did not submit data for this indicator
 = There is insufficient peer group data for this indicator to calculate a valid quartile	 = There is insufficient peer group data for this indicator to calculate a valid quartile


1.2. Key to trend symbols

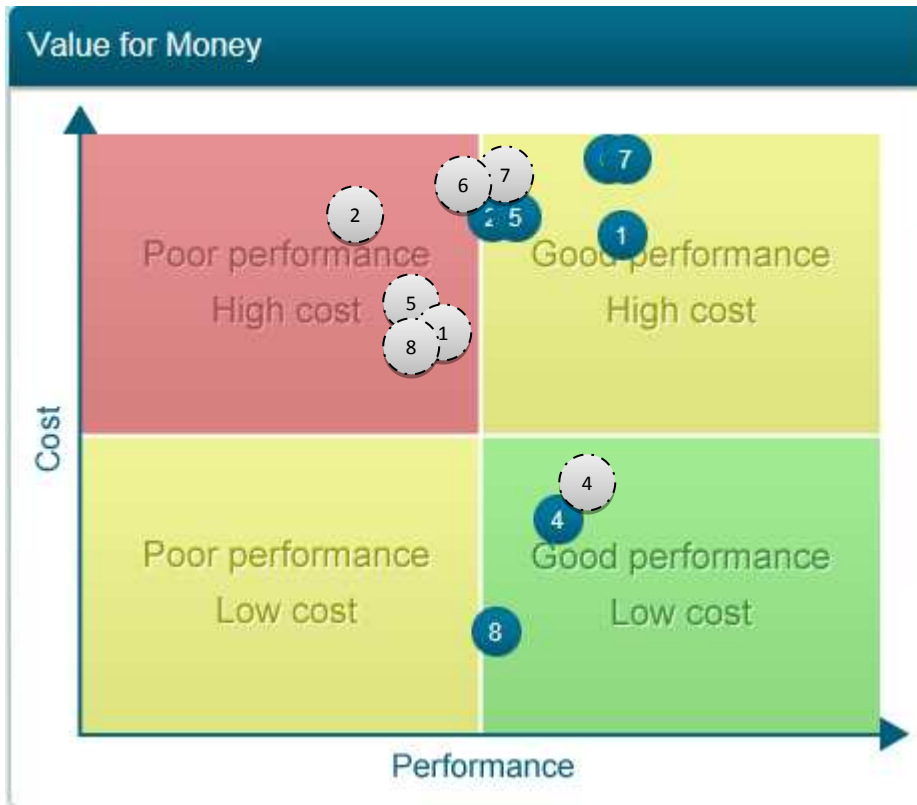
Performance	Cost
 = Your performance trend (the actual change in your year on year performance) is upper quartile when compared to the trend for your peer group	 = The actual change in your year on year costs shows that your costs are decreasing more quickly (or increasing more slowly) than three quarters of your peer group
 = Your performance trend (the actual change in your year on year performance) is in the middle upper quartile when compared to the trend for your peer group	 = The actual change in your year on year costs shows that your costs are decreasing more quickly (or increasing more slowly) than half of your peer group
 = Your performance trend (the actual change in your year on year performance) is equal to the median when compared to the trend for your peer group	 = The actual change in your year on year costs shows that your costs are increasing (or decreasing) at the median rate for your peer group
 = Your performance trend (the actual change in your year on year performance) is in the middle lower quartile when compared to the trend for your peer group	 = The actual change in your year on year costs shows that your costs are increasing more quickly (or decreasing more slowly) than half of your peer group
 = Your performance trend (the actual change in your year on year performance) is lower quartile when compared to the trend for your peer group.	 = The actual change in your year on year costs shows that your costs are increasing more quickly (or decreasing more slowly) than three quarters of your peer group

ANALYSIS BY SERVICE AREA 2015/16

DASHBOARD OVERVIEW

The following dashboard¹ symbols  show analysis of 2015/16 key service areas by cost and performance

 denotes 2014/15 dashboard position. All areas have improved performance:-



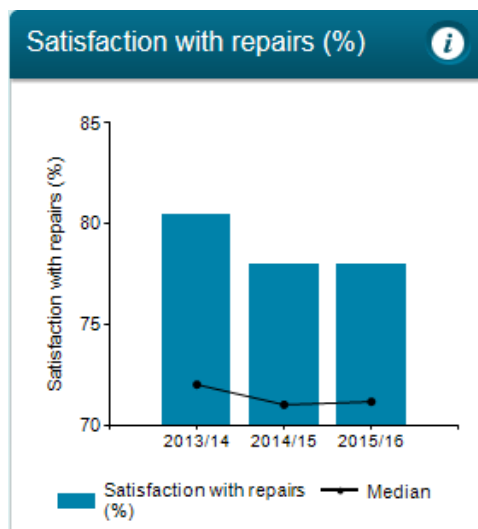
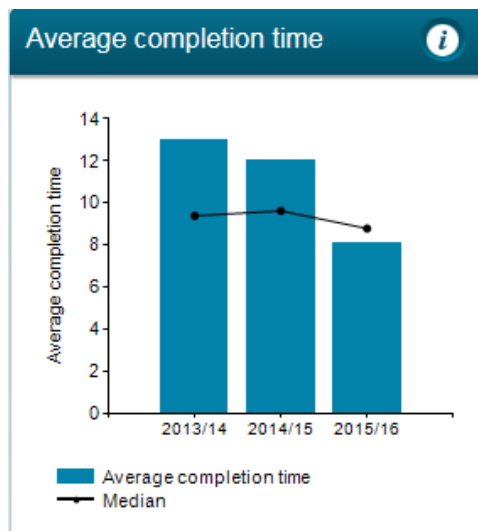
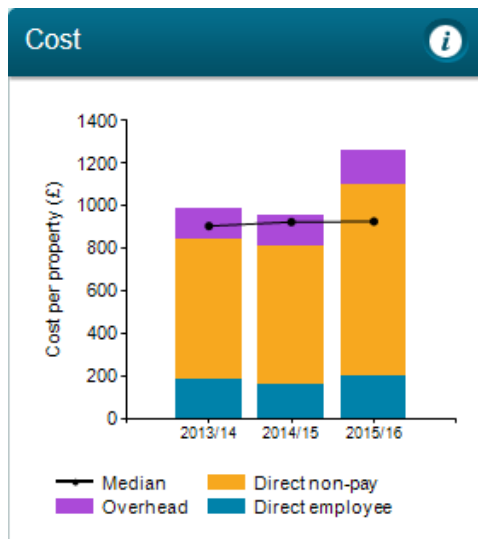
Key

- 1 Responsive repairs and void works
- 2 Rent arrears and collection
- 3 Anti-social behaviour
- 4 Major works and cyclical maintenance
- 5 Lettings
- 6 Tenancy management
- 7 Resident involvement
- 8 Estate services

The following pages analyse how performance and cost for each of the key service areas above have moved over the last three financial years and the key improvement actions included in the 2015 2020 strategic plan. (The median line represents the HouseMark average.

⁴ Area 3 is not on the dashboard because HouseMark didn't have all the information required for this area.

1 RESPONSIVE REPAIRS AND VOID WORKS



Review of performance

Repair costs have been challenging as we enter the last year of our current repair contract and we saw significant change in staff.

The new repairs contract offers a great opportunity to reduce costs going forward especially around voids.

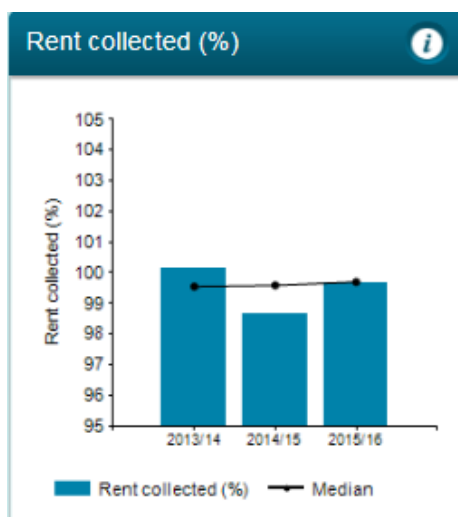
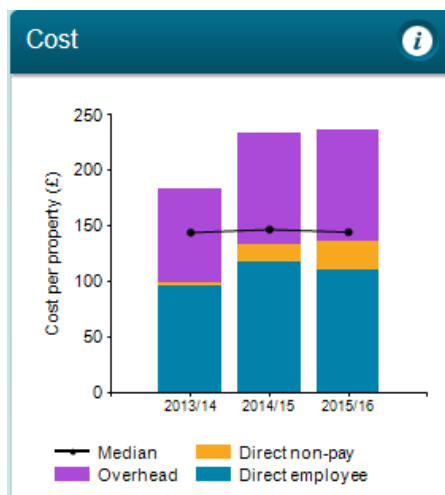
While repair completion times have fallen this is a poor indicator of customer satisfaction and the future Repair and Empty Homes Contract will focus on customer convenience over speed

2016/17-2017/18 Strategic Plan Improvement

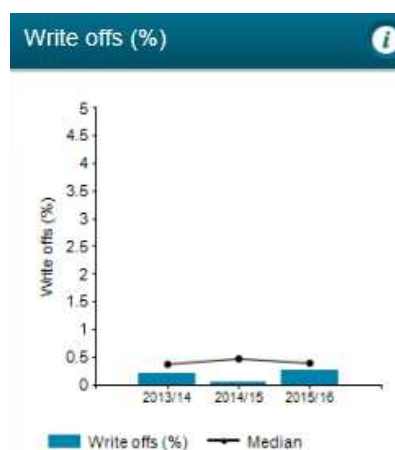
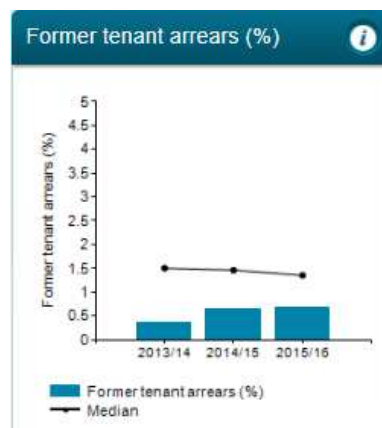
Target: Standards of how homes are maintained published in one easy to read document

Progress: All customer literature was reviewed in 2016 including standards on homes.

2 RENT ARREARS/ COLLECTION



See Appendix on next page which shows successful downward trend on arrears from 2012 to 2016. Note change in methodology in 2016/17



Review of performance

This is a key service area impacted by Welfare Reform. ISHA has improved arrears and rent collected in 2015/16. However as universal credit and the benefit cap is rolled out further, ISHA will need to ensure it provides support to customers adversely affected by the reforms. ISHA has maintained upper median position in sustaining tenancies (low evictions see Tenancy Management).

2017/18 Strategic Plan Improvement

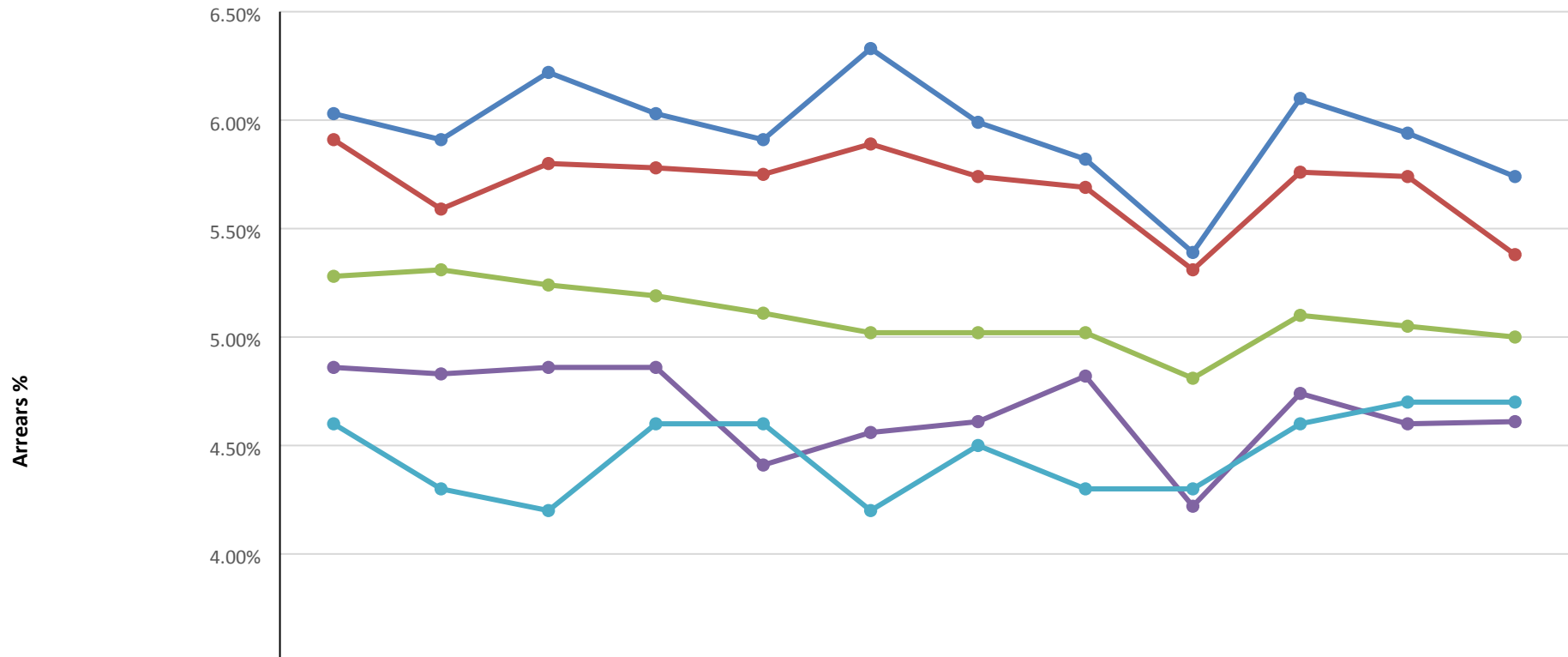
Target: Accurate financial information available for residents to review their own account

Progress: Implementation of new housing system to provide customer portal went live 1 October 2016 with Customer Portal pilot in August | 2017

Target: Customers are supported and advised by ISHA and LV to better manage their household costs

Progress Improved reporting will commence in 2017/18

ISHA Arrears - General Needs

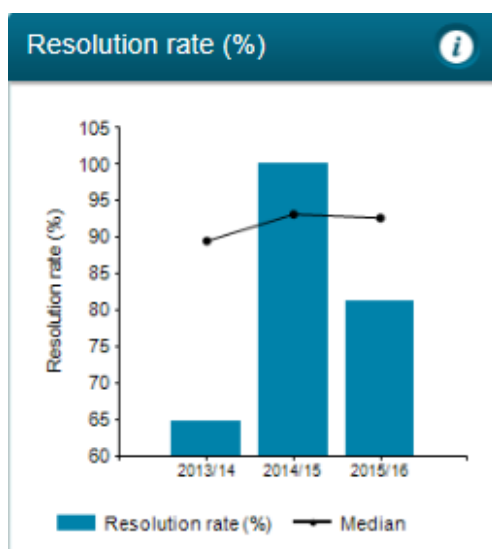
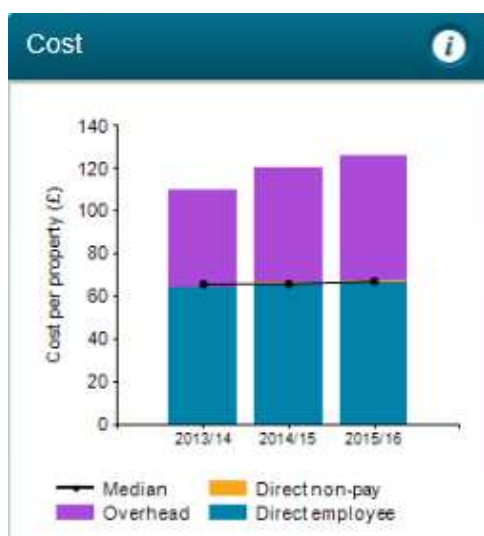


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Year 2012-2013	6.03%	5.91%	6.22%	6.03%	5.91%	6.33%	5.99%	5.82%	5.39%	6.10%	5.94%	5.74%
Year 2103-2104	5.91%	5.59%	5.80%	5.78%	5.75%	5.89%	5.74%	5.69%	5.31%	5.76%	5.74%	5.38%
Year 2104-2105	5.28%	5.31%	5.24%	5.19%	5.11%	5.02%	5.02%	5.02%	4.81%	5.10%	5.05%	5.00%
Year 2105-2106	4.86%	4.83%	4.86%	4.86%	4.41%	4.56%	4.61%	4.82%	4.22%	4.74%	4.60%	4.61%
*Year 2016-2017	4.60%	4.30%	4.20%	4.60%	4.60%	4.20%	4.50%	4.30%	4.30%	4.60%	4.70%	4.70%

*rolling average calculation

3 ANTI-SOCIAL BEHAVIOUR

2017/18 Strategic Plan Improvement



Target: – Reduce the number of Noise nuisance complaints which lead to high levels of dissatisfaction and increased numbers of cases closed unresolved

Progress: Introduced separate noise nuisance policy

Target: Improve customer satisfaction with case handling

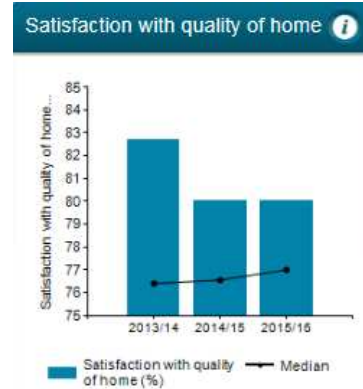
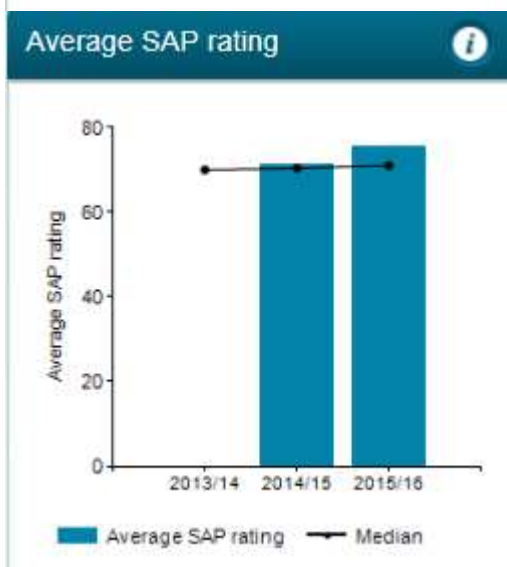
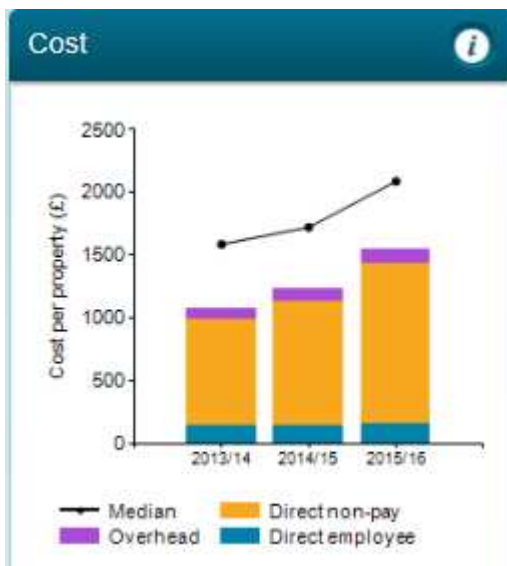
Progress: New housing Management database has the facility to capture and store all records of ASB to better enable officers and managers to track and monitor progress ensuring that complainants are kept informed of the progress of their case

ASB satisfaction surveys are undertaken on all closed cases by Christian Action Housing Association which are independent to ISHA but who also have the experience and understanding of the issues faced by complainants of ASB

Review of performance

ASB resolved cases have fallen in 2015/16. This has been as a result of changes to our ASB procedure in 2015. Previously ASB cases were not closed until the complainant was in agreement that the ASB has been resolved whereas in January 2015 ISHA introduced an unresolved category for cases where there is no action that the landlord can take and where there has not been an incident for 6 months

4 MAJOR WORKS AND CYCLICAL MAINTENANCE



Review of performance

ISHA carried out significant extra investment in kitchens and bathrooms in anticipation of the rent reductions. Over the next four years we have scaled back the amount of kitchen and bathrooms we intend doing. We continue to update our stock condition data to help us identify priorities.

- ❖ Migrate asset data into Kypera allowing a closer analysis of planned/repair work and therefore priorities.
- ❖ Asset Management strategy to be reviewed in 2017/18

Investment in stock from 2017 will focus on

- ❖ Poor performing units i.e. high cost
- ❖ tackling fuel poverty is residents highest priority

ISHA achieved a Silver standard award in environmental sustainability and is aiming for Gold by 2020

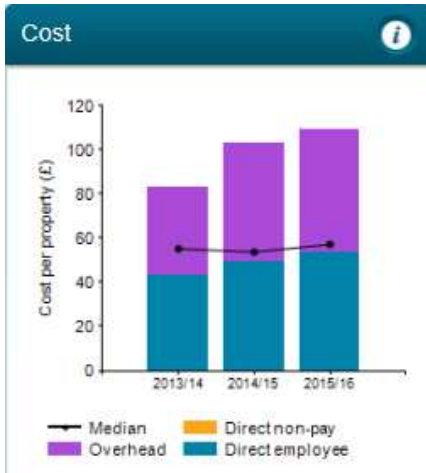
2017/18 Strategic Plan Improvement

Target: Consultation and publication of annual asset plan for every block
Progress: All plans sent to customers in March 2017. Plans to be reviewed 2017/18

Target Realistic and accurate investment forecasting of components of existing stock

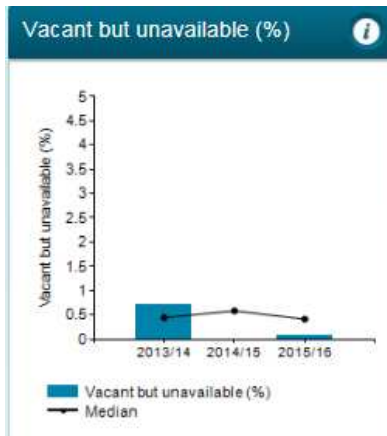
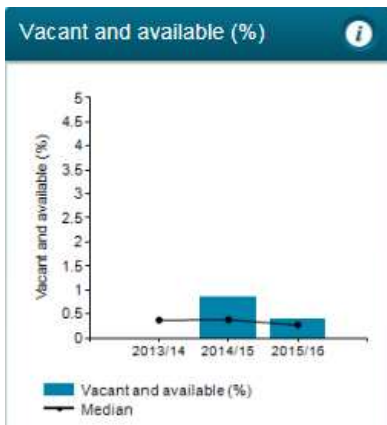
Progress Asset plan to include investment strategy by end of 2017/18.

5 LETTINGS



Review of performance Resources per property increased due to re-allocation of staff apportionment. Turnover of stock remains very low, compared with other organisations.

While void turnaround has fallen it remains higher than we would hope. This is impart due to issues with nominations and the need to improve performance. This has been partial dealt with by changes to the structure moving lettings into Customer Homes Department. We will work with our Local Authority partners to improve the nomination process and we are introducing cost per void within our new voids contract.



2017/18 Strategic Plan Improvement

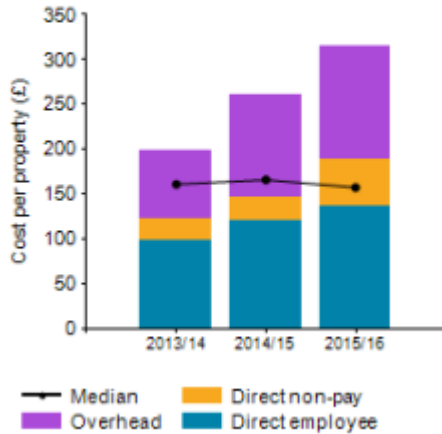
Target Increase mobility and tenure change within ISHA and Lien Viet's stock

Progress Further events have been held on Mutual Exchange and transfer list has been actively managed to match customers wishes. Roadshows used to promote mutual exchanges.

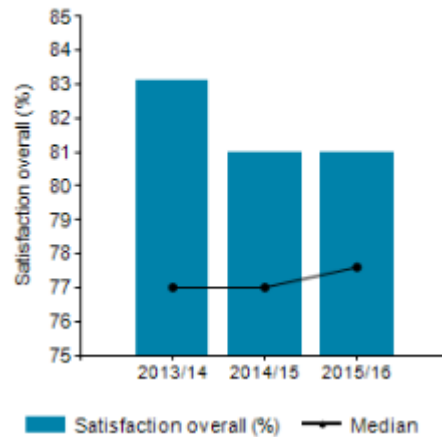


6 TENANCY MANAGEMENT

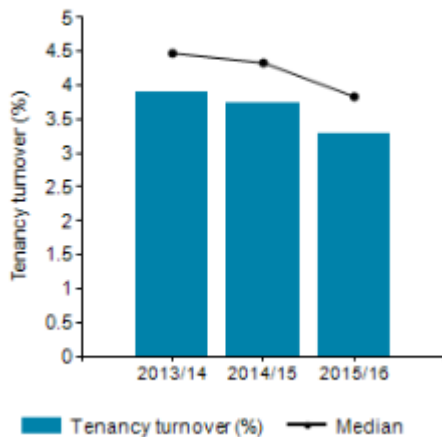
Cost



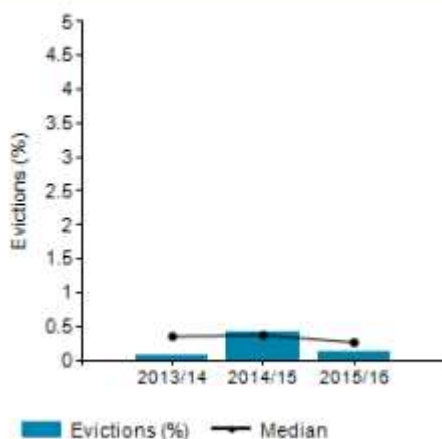
Satisfaction overall (%)



Tenancy turnover (%)



Evictions (%)



Review of performance

ISHA increased its resources in advance of growth, to make sure the appropriate numbers of trained staff are in place. Tenancy turnover and evictions continue to fall and this reflects both the high value of social housing to tenants and our hard work in supporting tenancy sustainment. Satisfaction here is based on the STAR survey which is significantly out of date.

2017/18 Strategic Plan Improvement

Target Have a radically modernised customer service that means our residents can access the services in the medium they choose and at the time (24 hours) they want to conduct their business with us

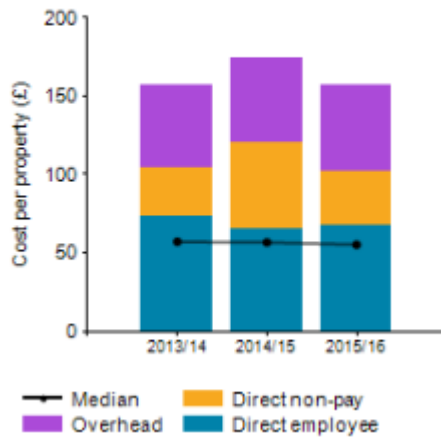
Progress Kypera HomeTeam project and staff restructure completed in Oct 16. Customer portal pilot in 2017

Target Customers are key contributors to the scrutiny of key service workflows

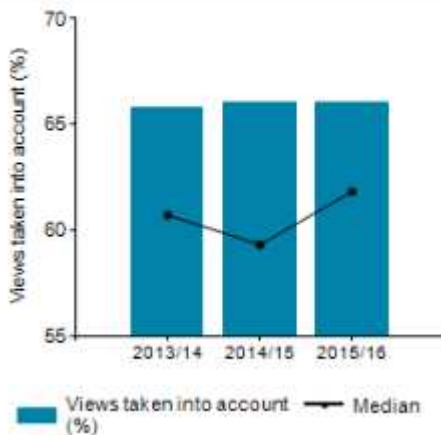
Progress Dedicated Neighbourhood Services Team enables ISHA to concentrate its resources on the management and monitoring of estate service contracts ensuring the best value for money for our customers whilst improving standards. Customer Involvement strategy offers different customer scrutiny options including survey programme, mystery shoppers & joint inspections.

7 CUSTOMER INVOLVEMENT

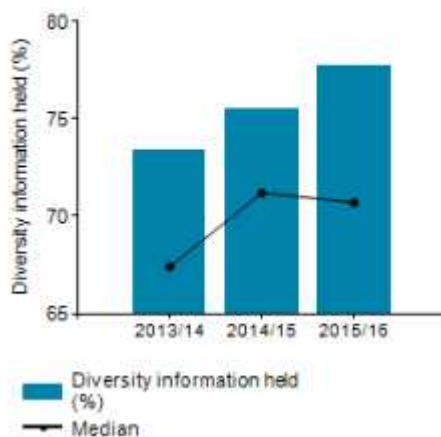
Cost i



Views taken into account (%) i



Diversity information held (%) i



Review of performance

ISHA's customer involvement investment is higher than average investment per property. % satisfied remains unchanged as this is based on the STAR survey carried out in 2014/15

Improved customer information remains a priority.

2017/18 Strategic Plan Improvement

Target Increased customer satisfaction across our key services

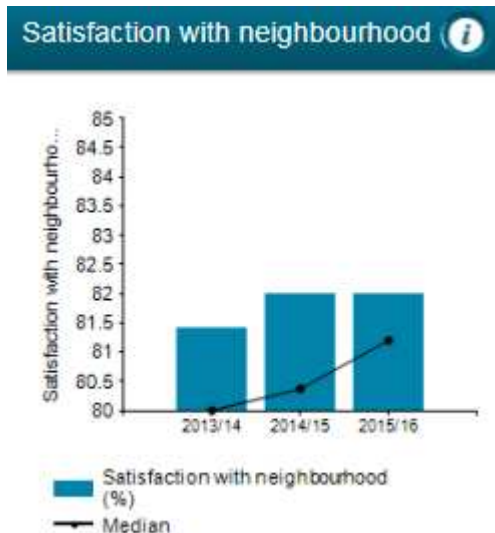
Progress: Customer involvement strategy transformed with input from customers and staff. Includes improved opportunities to be involved and a more robust methodology for gaining and acting on insight. Customer satisfaction has increased over 12 months despite change programme

Target Customers recognise how their comments have influenced service improvements

Progress "You said We did" communicated in newsletters. Annual report to Customers published September, Survey programme results shared via website

8 ESTATE SERVICES

2017/18 Strategic Plan Improvement



Target: Demonstrate value for money in our services to customers

Progress: Service Charges are being reviewed in consultation with customers. ARMA membership to be reviewed in light of other changes. Repairs and empty homes contract retendered with customer feedback. ISHA Home Team appointed April 2017

Target: Improve customer satisfaction with cleaning and ground maintenance service

Progress: The introduction of a dedicated Neighbourhood Services Team, led by a Neighbourhood Services Manager enables ISHA to concentrate its resources on the management and monitoring of estate service contracts ensuring the best value for money for our customers whilst improving standards. Customer Involvement strategy offers different customer scrutiny options including survey program, mystery shoppers as well as joint inspections. Scrutiny Panel being recruited by Dec 2017. New repairs contract Core Group customer members recruited and being inducted.

Review of performance

Front line services are our priority and ISHA has fewer back office staff than benchmarked organisations.

The benefits of increased front line resources include:

- ❖ Access for gas certification
- ❖ Actions on illegal dumping
- ❖ Early warning and action on ASB
- ❖ Feedback on service charges and repairs

9 DEVELOPMENT

Review of performance

ISHA's work in producing high quality buildings that meet the needs of our communities has been further recognised in 2016 where we received the following awards:

WINNER NEW LONDON ARCHITECTURE AWARDS 2016, BEST MIXED USE SCHEME

WINNER HOUSING DESIGN AWARDS 2016-BEST SUSTAINABLE HIGH DENSITY DESIGN

HIGHLY COMMENDED RICS AWARDS 2016- COMMUNITY BENEFIT & REGENERATION

When the development programme is expressed as a percentage of our stock we are developing rapidly compared to our peers. In 2016/17 we completed a further 62 properties. Our growth is planned and within our financial capacity.

ISHA uses information from the Catalyst benchmarking club to obtain more data re the performance of our development function. The latest information is based on data from the 2015/16 programme.

The benchmarking data showed that whilst our average build costs per metre (£1457) was less than the average for our peer group (£1641), our total cost per property of £230,241 was substantially more than the average for the peer group of £159,069. On investigation it appeared that the figures were distorted by the high value of land in our locality (our average acquisition cost per plot was £72,563 compared to the average for the peer group of £38,857 and the larger than average units we produce (85m²) compared to 74m² for the peer group. Our fee costs of 9.52% were similar to our peer group (9.27%).

The figures from Catalyst showed that ISHA development function (£4, 458 per unit) was relatively expensive compared to our peers £4,101 per unit, reflecting the smaller programme we managed compared to our peer group. Therefore during the year to date we have continued to reduce the staff resources by reducing project management staff by half a post and no longer employing a development accountant on a part time basis. We have also sought to expand the number of jobs we project manage for other NRA partners and during 2016/17 we secured schemes where we act as development agents for Christian Action HA (24 dwellings) and Barnsbury HA (4 dwellings).

ISHA's annual survey of resident satisfaction with new homes was disappointing with only 83% of residents satisfied with their new homes. This was almost identical to the figure from the peer group 82%. The survey results were again adversely affected by the very low response rate. To ensure a higher response rate we have now implemented bringing forward the timing of the internal survey from the end of the defects period to approximately one month after handover.

2015/2020 Strategic Plan Improvement

Target

400 Homes built to ISHA's environmental sustainability standard

Progress (June 17)

Completed:37 homes

On site: 103 homes

In development:62 homes

Target Improve Customer engagement in building new homes

Progress Review of design brief has introduced 3 changes based on feedback from customers (drainage spec ,CCTV and induction to renewables) our approach to defects management has also been reviewed.

Target Affordable version of shared ownership in high value areas

Progress Board has introduced lower levels of shared ownership rent where necessary for schemes in high value areas.