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Abbreviations

AGM - Annual General Meeting
ALMO - Arm’s Length Management Organisation
AMS - Asset Management Strategy
BCM - Build Cost Model
BME - Black and Minority Ethnic
BV - Best Value
BVI - Best Value Indicators
CAA - Comprehensive Area Assessment
CE(O) - Chief Executive (Officer)
CIH - Chartered Institute of Housing
CBL - Choice Based lettings
DCLG - Department of Communities & Local Government
DHS/P - Decent Homes Standard /Programme
EBC - Eastbourne Borough Council
ECSP - Eastbourne Community Safety Partnership
EHL - Eastbourne Homes Limited
ESCC - East Sussex County Council
ESHOG - East Sussex Housing Officers Group
ESP - Eastbourne Strategic Partnership
HMOs - Houses in Multiple Occupation
HCA - Homes and Communities Agency
HEDP - Housing and Economic Development Project
HQN - Housing Quality Network
HR - Human Resources
HRA - Housing Revenue Account
KPI - Key Performance Indicator
LAA - Local Area Agreement
PI / KPI - Performance Indicator/Key Performance Indicator
NFA - National Federation of ALMOs
ONS - Office for National Statistics
QAS - Quality Assured Scrutiny
RSP - Resident Scrutiny Panel
RSPCA - Royal Society for the Prevention of Cruelty to Animals
SIPs - Service Improvement Plans
SLT - Strategic Leadership Team
SMART - Specific, Measurable, Achievable, Realistic and Time Bound
STATUS - Standardised Tenant Satisfaction Survey
TSA - Tenant Services Authority
VFM - Value for Money
Executive Summary

Eastbourne Homes Limited (EHL) is the Arm’s Length Management Organisation (ALMO) established in April 2005 to manage Eastbourne Borough Council’s (EBC) housing stock.

This document should be read alongside EHL’s updated 5-year 2013/2018 Business Plan which sets out our medium and long-term strategic goals.

In developing our Annual Plan we have reviewed the regulatory standards to ensure that the services we deliver are both compliant and relevant to the customers of EHL.

This document combined with the Business Plan sets out clear objectives for EHL to continue its journey delivering excellent value for money services to its customers on behalf of EBC. The management fee proposed for the coming year is £6,715,000 and represents a cash saving of £100,000 against the fee proposed for 2014/15.

In particular the following actions continue or commence for the first time in 2014/15 and are set out in more detail within the relevant section of the document.

The strategic goals for the coming year are summarised in Appendix 1.
Foreword by the Chair of the Board of Directors

EHL has achieved a lot since it was set up in 2005 as an ALMO (Arms Length Management Organisation) and has now completed most of the decent homes work which was its prime purpose at the time.

Since then EHL has become a company that has transformed the way it does business and is an organisation that residents have confidence in.

Nowadays EHL is involved in much more than collecting rent and helping to look after people’s homes. As well as providing (STEPS) support services for older people, EHL are now working with EBC to find ways of improving parts of the town.

This includes taking on buildings that are not in very good shape and bringing them up to scratch so that we can provide people with more affordable rented properties. Shown below are some of the highlights of our plans for the next few years:

- To build 33 new homes by March 2015.
- To purchase and refurbish 20 empty units by March 2015.
- To save £100K in 2014/15 and £500K from 2015.
- To negotiate a new Management Agreement.
- To continuously improve services.

Roger Eastwood
Chair
Board of Eastbourne Homes Limited
Introduction

Company Aims and Objectives
EHL formally adopted the Company’s aims and objectives soon after formation following consultation with EHL’s customers; staff; EBC; and, other stakeholders. The Mission, Vision and Objectives were refreshed by the Board in consultation with staff and customers during 2013.

EHL will consult with stakeholders on new objectives for 2014 and beyond as it seeks to define more clearly its role as a next generation ALMO.

EHL will conclude the remodelling of EBC’s older persons sheltered housing stock to the Decent Homes Standard by September 2014. In addition it will maintain decency in traditional and non-traditionally built housing stock by targeted maintenance and replacement of components. It will continue to work with partners to maintain sustainable communities specifically assisting those individuals looking to downsize as a result of welfare benefit changes.

Mission Statement
To provide and develop excellent value for money services which innovate and respond to the aspirations of all.

Vision
Being the partner of choice, creating communities and homes where people are proud to live.

Key Objectives
- To start development of 53 new and refurbished homes by 31st March 2015.
- To keep homes decent.
- To provide excellent services.
- To move from Ivy House to Grove Road by 31st March 2015.
- To agree a new Management Agreement by October 2014.
- To agree and implement a Target Operating Model (TOM) by March 2015.
- To appoint a Managing Director and Head of Housing Services.
- To complete a strategic review of maintenance services.

EHL will deliver its services within a framework of these values:
- To treat everybody with dignity and respect.
- Conducting our business with honesty and integrity.
- To be fully accountable to residents and the other organisations that work with EHL.
- To provide a high quality working environment in which staff are cared for, valued and professionally developed.
- To be financially aware without compromising the quality of services.

The Annual Plan for 2014/15 identifies the strategic focus and key activities for EHL in pursuit of these objectives.
National and Local Strategic Context

An overview of EHL and the strategic context in which it operates
All housing organisations are operating in a National context of tighter finances, rising customer expectations and the introduction of changes to the welfare reform agenda not seen in the last 50 years. The political situation suggests that neither the current government or future government will reverse the welfare reforms so protecting the income stream is a top priority for EHL and the Council.

The formal relationship between EHL and EBC is set out by the Company Memorandum and Articles of Association and by the Management Agreement. EBC appoints a third of EHL’s Board of Directors. The Board of Directors has responsibility for ensuring the Company complies with its own constitution, with Company legislation and the obligations placed on it by the Agreement.

The Annual Plan is prepared by EHL and outlines the agreed services and performance to be delivered by EHL. It is formally approved by the Cabinet Member for Housing and Communities on behalf of EBC.

The Council’s Cabinet also monitors EHL’s performance on a quarterly basis through inclusion within the Council’s performance indicator reports.

EHL believes that close partnership working with EBC and other organisations strengthens the service it delivers to customers.

EHL is a key delivery vehicle for realising the strategic housing priorities for Eastbourne. It also contributes to the Eastbourne Community Strategy as a member of the Eastbourne Strategic Partnership and the Eastbourne Housing Partnership. It shares the 2026 Partnership vision:

“By 2026 Eastbourne will be a premier seaside destination within an enhanced green setting. To meet everyone’s needs Eastbourne will be a safe, thriving, healthy and vibrant community with excellent housing, education and employment choices, actively responding to the effects of climate change.”

EHL contributes to the priority areas to ensure that in 2026 Eastbourne will have:
- A housing market that provides greater housing choices for all
- High quality condition and management in all housing stock
- Appropriate housing with support for vulnerable people
- Successful, well run, safe neighbourhoods supported by appropriate infrastructure and amenities
EHL works within East Sussex by working through its membership of the following partnerships to ensure the effective services are delivered for the residents of Eastbourne and the county as a whole:

- Eastbourne Strategic Partnership
- Eastbourne Community Safety Partnership
- East Sussex Housing Officers Group

**Governance**

**The Board of Directors**

EHL was formally registered in January 2005. The Board consists of twelve non-executive Directors. Four of the Board Directors are EBC residents, four are nominated by the Council and the remaining four are independent. The role of the Board is strategic management of the Company, ensuring the Company is in a strong position to continue to deliver excellent services to its customers. To achieve this, the Board is supported by an Executive Team, which in turn manages the day to day operation of the business.

The Board meet quarterly and meetings have been open to the public since November 2005. The Annual General Meeting (AGM) is held in September. The Board is supported by three Committees which similarly meet on a quarterly cycle:

- **Operations Committee** – which focuses on performance, housing management, and property management
- **Finance and Corporate Services Committee** – which focuses on finance, personnel and administrative functions
- **Audit and Risk Committee** – which focuses on internal and external audit results and reviews the risk log

**Changes to the Board in 2013/14**

The Board has undergone a period of change during 2013/14 all of which were made following a planned recruitment and selection exercise.

- In May 2013 Ann Murray, one of our Council Board nominees stood down from the Council after serving on the Board since Shadow Board status in 2004 and was replaced by Patrick Warner. In July 2013 the Board recruited Candy Vaughan and Hubert Benjamin, as Tenant Board Directors to fill a vacant position and remaining term of office. In September 2013 the AGM took place and in accordance with the constitution, Gordon Sims and David Turner, Independent Board Directors stood down after serving on the Board since Shadow Board status in 2004.
- Allen Gales and Mary Hope were appointed following a recruitment exercise as Independent Board Directors.
• Sue Parsons and Hubert Benjamin were re-appointed in their respective positions for another term.
• At the Board Meeting immediately after the AGM, the Chair and Vice-Chair were elected – Roger Eastwood was elected as Chair and Sue Parsons elected as Vice-Chair.

There are currently no vacancies on the Board.

**Regulation of Social Housing**

From April 2012 a statutory Regulation Committee within the Homes and Communities Agency (HCA) took on the role as Social Housing Regulator (SHR) from the Tenant Services Authority’s (TSA). The TSA has now been dissolved (March 2012).

From April 2012 all registered private and local authority providers are subject to the revised Social Housing regulatory framework. They must meet all applicable regulatory standards.

The regulatory standards are classified as either:
1. Standards relating to economic matters, or
2. Standards relating to consumer matters

In order to ensure the customers of EHL and residents of the neighbourhood are placed at the core of our business, EHL followed best practice and formed a Resident Scrutiny Panel.

**Residents Scrutiny Panel**

This was set up by EHL in April 2011 and its presence and challenge has become even more relevant following changes to regulation in 2012. This Panel is one of the foundations for effective co-regulation and meets quarterly, reporting to the Board of EHL.

The Scrutiny Panel is made up of individuals from across the community in which we serve.

The Resident Scrutiny Panel is a formal part of the reporting and decision making structure and its overall purposes are to:
• Provide informed and independent oversight of the activity and performance of EHL.
• Ensure that EHL is accountable for achieving the National Standards in line with our customers and residents of the neighbourhood’s views, local offers and standards.
• Seeks to increase the influence that all our customers and residents of the neighbourhoods can have on services and policy, especially of those groups whose views are under-represented.
• Promote active involvement in all the opportunities open to our customers and residents of the neighbourhoods to participate in achieving the EHL vision
• Provide support to the Board through advice, challenge and recognising achievement.

During 2013/14, the Resident Scrutiny Panel has completed reports on:
• New Tenancy Sign Ups
• Customer Satisfaction

**Capacity of the Board**

For EHL to be successful, the Board of Directors recognise that the Board must not only participate in training the current Board Directors but must also build the capacity among residents to participate in the business of the Company as both members of representative groups and as future Board Directors.

The Board Directors participate in their annual Appraisal and where appropriate a Personal Development Plan (PDP) is drawn up. A training plan can then be developed highlighting the identified skills gaps for the Board Directors.

**Networking Events**

To build on wider contextual understanding and to learn from peers. Members of the Board of Directors attend networking events run by the National Federation of ALMOs. These events update Board Directors on key government initiatives and developments. The Board Directors attending these events ensure that they cascade information to other Board Directors by means of a verbal update. Over the last year three events have taken place and been attended by EHL.

**Establishment of Specific Project Boards**

In addition to the three regular committees – Operations, Finance and Corporate Services and Audit and Risk the Board has also established smaller task based Project Boards to ensure appropriate governance over other strategic initiatives.

Project Boards are currently operational for:
• Service and Financial Planning – meeting the needs of customers more efficiently
• Housing and Economic Development – opportunities arising for development and regeneration
Formal Monitoring Arrangements

- In March annually the Board of Directors sets the Key Performance Indicators (KPI’s) for the following 12 months.
- On a quarterly basis the Board of Directors consider progress against the agreed KPIs.
- On a quarterly basis updates are reported to the respective Committees on progress against targets within the existing Annual Plan.
- On a periodic basis the Chief Executive, Chair and Vice-Chair meet to discuss emerging strategic issues and critical operational issues.
- EHL’s Performance and Development Review Scheme commences with the Chair of the Board’s appraisal of the Chief Executive in April and this is cascaded throughout the organisation over the following two months.
- Each December the Board of Directors considers the level of performance and cost of service provision of EHL compared to all other ALMOs.
Developing the Annual Plan

The Annual Plan is intended to summarise the challenges and activity for EHL over the coming year.

The Improvement Plan at Appendix 1 summarises the activities we will be undertaking in the year. Final completion and implementation dates are included in the plan. Progress against key milestones and stages will be monitored by the Board of Directors through quarterly exception reports.

The production of the Annual Plan and the identification of strategic priorities and operational improvements are drawn together simultaneously with the budget setting process within EHL.

These activities and budgets are both subject to agreement of EBC and contained within the approved Management Fee for the coming year.

Following adoption by the Board of Directors and agreement with the Council the Annual Plan is then fully cascaded through the organisation through individual targets relating to agreed objectives being included in the annual appraisal and staff development scheme. The priorities and plans for delivery will be further reinforced through fortnightly core briefs, scheduled early morning training and team meetings.
Review of Achievements in 2013/14 Executive

2013/14
- Awarded STEPS contract for a further two years.
- Established South East Independent Living Ltd (SEILL).
- Presented an offer to Eastbourne Borough Council in response to Ignite’s proposals.
- HEDP secured HCA grant and purchased 20 empty properties for refurbishment as new affordable homes.
- Awarded responsibility for delivery of 23 LANB homes subsequently extended to 33 homes.
- Led on launch of Devonshire Ward neighbourhood regeneration programme.
- Achieved 100% gas safety.
- Continued and improved performance on rent arrears.
- Review of Leasehold services.
- Successful apprenticeships.

Key Objectives for 2014/15
- To save £100K in 2014/15 and £500k in 2015/16.
- To carry out a strategic review of the repairs service.
- To move office by March 2015.
- To deliver the Local Authority New Build Programme.
- To undertake a Governance Review.
- To implement a service improvement plan for leasehold management.
- To complete the refurbishment of retirement homes.
- To maintain decency at 100%.
- To provide excellent services.
- To agree and implement a new target operating model by March 2015.
- To agree a new management agreement by October 2014.
Services Reviews ¹

Summary of Service Reviews undertaken in 2013/14

HQN Review Leasehold Service
The Housing Quality Network was commissioned by EHL to undertake a review of its leasehold service. EHL was keen to have its resourcing and processes for leasehold management reviewed and compared with best practice. EHL also wanted the review to make sure that it was charging and collecting all the service charge income that it is legally obliged to recover from leaseholders.

HQN’s view was that overall the leasehold service at EHL is generally efficient and well administered.

HQN identified several areas of the service that can be improved and EHL has taken these recommendations on board. HQN presented their findings and recommendations to the Leasehold Panel and EHL management team on the 12th of February 2014.

Management and staff are drafting a service improvement plan to address each of HQN’s recommendations and the improvement plan will be presented to the Leasehold Panel for consultation in May 2014.

Impartlinks Review of Measure Term Contract with Mears
Impartlinks a specialist cost consultancy was commissioned by EHL to review EHL’s measured term partnering contract for repairs. The contract delivers a significant part of EHL’s repairs and maintenance requirements. The review was undertaken in two parts. The first part concentrated on reconciling actual costs to budgets that had been agreed for local overheads, central overheads and profit under the open book payment mechanism. This part also established whether the contract was achieving surpluses above agreed margins. The second part of the review used sector benchmarks to compare current contract rates against current market rates in order to consider value for money. The first part of the review concluded that the contract is not earning surpluses on total turnover above agreed margins. The second part of the review found that the contract rates were above current market rates. This was not unexpected given the contract was tendered at the height of the last construction boom and contract rates have risen through annual adjustments for inflation. The contractor has been briefed on the outcomes of the reviews and EHL’s Interim Chief Executive and Head of Property Services are meeting with the contractor’s senior management team in March to receive and discuss their proposals to reduce costs and achieve efficiencies.

¹ Refers to 7.2.5 of Management Agreement
Rechargeable Repairs Policy
EHL’s Repairs Services Manager has undertaken a review of the organisation’s Rechargeable Repairs Policy. The draft policy has been issued to management, staff and members of the Repairs Partnering Board for consultation. The policy is due to be approved and implemented in June 2014.

Mazars’ Review of Value for Money Arrangements
Mazars produced their Final Internal Audit Report in February 2014. They were able to provide “substantial assurance” regarding the management of value for money risk.

There were two low priority recommendations made and adopted by management.

• Measurable strategic targets should be identified and performance against these targets should be monitored and reported on.
• Consideration should be given to the introduction of an annual VFM self-assessment, rather than just a VFM statement.

Resident Scrutiny Panel

• New Tenancy Sign Ups
This activity was undertaken to enable the Resident Scrutiny Panel to understand the process from when a tenant is offered a property by EBC to the sign up of the tenancy by EHL. Following this activity, the Resident Scrutiny Panel put forward a number of recommendations to the Board which were agreed in order to assist and better serve our tenants.

• Customer Satisfaction
This activity was undertaken to enable to the Resident Scrutiny Panel to understand:
  • How many different customer satisfaction surveys went out
  • How often?
  • What EHL did with the data?
  • How we could further improve how we capture ‘customer satisfaction’

Following this activity, the Resident Scrutiny Panel put forward a number of recommendations to the Board which were agreed.
Services to be reviewed in 2014/15

The historic record of service reviews together with an updated risk register form the primary tools to determine the allocation of service reviews in the coming year.

- Health and Safety Works
- Voids
- Anti Social Behaviour
- Welfare Reform
- Customer Service Excellence Award
- Housing Management Services as part of the Future Model Programme
- Right to Buy Services review
- Service standards and specifications for the repairs contract and gas servicing contract

The EHL Service and Financial Planning Project Board will continue to consider whether the EHL operating structure works efficiently and effectively to meet the needs of tenants and leaseholders of EBC.

The Project Board will work alongside and in partnership with the EBC review of community services as part of the wider Future Model programme being conducted by EBC.

The ambition of both organisations is to continue to serve the residents of the Borough in a cost effective strategically joined up way having regard to the specific specialist skills and assets within the respective entities.
Financial and Investment Framework

The Management Agreement

EHL is commissioned by EBC to manage and maintain the Council’s housing stock. Under this arrangement, whilst the Council sets the level of rent and service charge by property annually, EHL collects these charges from tenants and leaseholders on behalf of the Council.

EHL receives an annual management fee to cover operating costs, property repairs and maintenance and service charges that it organises on behalf of customers of EHL and residents of the neighbourhood. The expenditure is prioritised to provide effective and cost efficient management, maintenance and coordinated support services to tenants and leaseholders.

In addition EHL, in agreement with EBC, plans and coordinates the capital programme to the housing stock. It pays the contractors for these works and obtains reimbursement of costs from the Council.

EHL works to maximise the value for money of services provided while keeping the level of ‘back office’ costs as low as possible.

Over the next 30 years the business plan estimates capital expenditure in excess of £100m on the existing stock of properties in addition to providing new housing through the HEDP programme (potentially a further £50m).

EBC and EHL have worked together to understand the sensitivities within the financial model and will be making recommendations to Council members on the rent increase plans to ensure continued financially stability for the long term.

Welfare Benefits Reform 2012-2018

The introduction of the Welfare Reform Act has potentially significant implications for social landlords and their tenants. The Act aims to create the right incentives to get more people into work by ensuring work always pays. It also aims to protect the most vulnerable whilst delivering fairness to those claiming benefit and to the taxpayers.

The responsibility for discretionary housing payments, social fund budgets and council tax benefits has been transferred to all LA’s. The results of the transfer and the tightening of spending means a greater burden will fall on tenants to find ways to meet costs that may otherwise have been covered by exemptions or discounts.

2 Refers to 6.1 of the Management Agreement
Tenants have already had to deal with:
- Reduced housing benefit for non-dependant wage earners living at the same address
- Spare room subsidy
- Benefits cap
- New working age benefit claimants will receive payments under the Universal Credit arrangements including direct payments to the tenant subject to safeguards for the most vulnerable. Claims will be administered nationally, paid monthly and most claims will be made online. The changes are scheduled to take effect from April 2015 and to be completed by October 2017.

EHL and EBC have worked in partnership to develop a Welfare Reform Action Plan for Eastbourne which references the work undertaken by the East Sussex Welfare Reform Project.

In 2013-14 outcomes were:
- All tenancies subject to the above welfare reform changes were sustained;
- In only one case of arrears arising from the spare room subsidy was court action required resulting in a Suspended Possession Order;
- 20% of the households originally affected are no longer affected, primarily through arranging moves to suitably sized properties;
- The arrears level of the households affected on 1st April had reduced by the end of the third quarter.

By 2017
- New working age benefit claimants will receive payments under the Universal Credit arrangements including direct payments to the tenant subject to safeguards for the most vulnerable. Claims will be administered nationally, paid monthly and most claims will be made online.

EHL and EBC are working jointly to manage the impact of these changes on the HRA and the business for the years ahead.

There has already been an active communication campaign to alert those individuals identified as most likely to be affected by the changes in the benefit rules.

Further communications are planned with regard to Universal Credit and the steps tenants must take to prepare for the new online claims system and with all payments being directed to the tenant. This will include advice on payment methods and where to go for help and advice such as Citizens Advice Bureaux, Brighton Housing Trust and Credit Unions.
New revenue streams outside the management agreement

South East Independent Living Limited (SEILL) is a wholly owned subsidiary of Eastbourne Homes Limited (EHL). SEILL has been established as a company to conduct the business of STEPS and other non housing management activities.

STEPS to stay independent, a floating support service for the over 65’s, was initially set up as a pilot for 23 months. The contract has now been extended until October 2015. The service is available across East Sussex with South East Independent Living Ltd (SEILL) delivering the service in the west of the county covering Eastbourne, Lewes & Wealden and Family Mosaic delivering the service in the east covering Rother & Hastings.

STEPS West has a team of 28 staff, including the Service Manager, Team Leaders, Gateway Co-ordinators, an Administrator and locally based Floating Support Workers.

STEPS West has so far, supported over 2,000 clients through the STEPS service.

The annual value of the contract is £800,000 per annum.

Value for Money

EHL seeks to improve its value for money and in so doing will:

- Provide high quality services tailored to specific client groups
- Reduce back office costs and reinvest in front line service delivery
- Work in partnership to seek better outcomes
- Utilise modern procurement methods
- Measure satisfaction with its main services
- Benchmark with regional and national providers in order to learn best practice
Budget Summary 2013/14 to 2014/15

The following table summarises the movement in resources between 2013/14 and 2014/15 as reflected in a cash frozen management fee.

<table>
<thead>
<tr>
<th>Description</th>
<th>£k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management fee for 2013-14</td>
<td>6,815</td>
</tr>
<tr>
<td>Cost pressures and inflation</td>
<td>450</td>
</tr>
<tr>
<td>Elimination of deficit</td>
<td>5</td>
</tr>
<tr>
<td>Standstill resource requirement</td>
<td>7,270</td>
</tr>
<tr>
<td>Efficiency savings</td>
<td>(455)</td>
</tr>
<tr>
<td>Management Fee 2014/15</td>
<td>6,815</td>
</tr>
</tbody>
</table>

Performance Management Framework

EHL is focussed on the continuous improvement of all its services. The Performance Management Framework is essential to being a successful, efficient and effective organisation that also enables and embraces new opportunities to improve services for its residents.

EHL aims for excellent performance through long-term strategic goals, which include:

- Services which reflect the needs, priorities and opportunities identified by our residents and stakeholders
- Upper Quartile Performance in key areas measured through Housemark
- Key Performance Indicators (KPI’s) - linked into Eastbourne Borough Council’s Performance Plan
- External and National recognition and accreditation
- Service Improvement Plans produced annually that drive up quality and/or reduce cost
- Continuous Service Improvement
- Strong budgetary control and best value aspirations

The framework consists of key performance indicators that measure EHL’s service areas and delivery of targets – see Appendix 2. These indicators are reviewed annually and set by our Board. Monitoring and scrutiny takes place on EHL’s performance pack on a monthly basis. The Strategic Leadership Team consider actual operating performance of KPI’s monthly and further drill down is undertaken by their relevant Head of Service who is accountable for the performance indicator.
This framework assists all stakeholders in understanding performance management, the components that contribute to effective performance and that all roles & responsibilities are clearly defined and transparent.

EHL learns and shares best practice as active participants in service groups run by the National Federation of ALMOs (NFA), as well as benchmarking and good practice services such as Housing Quality Network (HQN) and Housemark.

This annual plan has allocated resources and provided further challenge to those functions where improvement is demonstrably necessary. The Key Performance Indicators included in this plan have been reviewed and are considered to be the high level KPIs which the Board should review at each Board Meeting.
Appendix 1
Improvement Plan

- This Improvement Plan seeks to summarise plans for improvement in the coming year and identify the target dates for final completion. Detailed implementation plans, stages and key milestones are not identified in this plan.

- The Board and management of EHL and EBC will monitor progress against this Plan quarterly.

- Internal progress against this plan will be implemented and monitored through service improvement plans and action plans associated with agreed strategies. Each action has been matched to specific Strategic Leadership Team members who are responsible for delegating within their service area and setting individual targets within personal performance plans.

- Each Key Action will be delivered by Service Improvement Plans (SIPs) which are SMART and are measured through Appraisals, 1-2-1s, and Strategic Leadership Team Meetings.

- Throughout this Plan “customers” refers to tenants and leaseholders. “Residents” refers to the wider communities in which we work. Where an action refers to a specific group of customers the appropriate description is used.

3 Refers to 6.2 of the Management Agreement
<table>
<thead>
<tr>
<th>Ref</th>
<th>Key Actions</th>
<th>Completion dates</th>
<th>Responsible Executive</th>
<th>Rationale for action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Implement RentSense</td>
<td>30/04/14</td>
<td>HOHS</td>
<td>• The Board approved the purchase of this software to improve arrears management and assist with the implementation of Universal Credit</td>
</tr>
<tr>
<td>2.</td>
<td>Recruit new Managing Director</td>
<td>31/07/14</td>
<td>Board</td>
<td>• As part of the Offer to the Council and agreeing to engage in the Future Model review the Board agreed to replace the Executive posts with a Managing Director</td>
</tr>
<tr>
<td>3.</td>
<td>Office move</td>
<td>31/03/15</td>
<td>HOPS</td>
<td>• EHL will substantially reduce its operating costs by sharing office space with EBC at 1 Grove Road. EHL has an option to end the lease and vacate offices at Ivy Terrace by end of March 2015</td>
</tr>
<tr>
<td>4.</td>
<td>Complete remodelling</td>
<td>19/09/14</td>
<td>HOPS</td>
<td>• Winchester House is the last project in the remodelling programme funded by the HCA and it is on target to complete on or before 19/09/14</td>
</tr>
<tr>
<td>5.</td>
<td>Implement Leaseholder Review recommendations</td>
<td>30/06/15</td>
<td>HOPS</td>
<td>• The recommendations made by the Housing Quality Network will form the basis of the Service Improvement Plan for leasehold management. It will take a year to fully implement all of the recommendations after consultations with leaseholders are concluded in June 2014</td>
</tr>
<tr>
<td>Ref</td>
<td>Key Actions</td>
<td>Completion dates</td>
<td>Responsible Executive</td>
<td>Rationale for action</td>
</tr>
<tr>
<td>-----</td>
<td>------------------------------------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>6.</td>
<td>To complete a strategic review of maintenance services</td>
<td>30/06/14</td>
<td>HOPS</td>
<td>EHL has a number of measured term contracts for repairs coming to an end by April 2016. Before re tendering contracts EHL will undertake a strategic review which will include options appraisals on methods of service delivery and procurement of services</td>
</tr>
<tr>
<td>7.</td>
<td>Governance Review</td>
<td>31/03/15</td>
<td>CFO</td>
<td>To review the governance arrangements within EHL to ensure that they are fit for purpose and provide value for money post 2015 review of the Management Agreement (in line with the Future Model)</td>
</tr>
<tr>
<td>8.</td>
<td>Negotiate new terms of the Management Agreement</td>
<td>31/10/14</td>
<td>MD</td>
<td>The existing management agreement expires in March 2015. A new agreement is required delegating functions to EHL</td>
</tr>
<tr>
<td>9.</td>
<td>Agree Target Operating Model (TOM)</td>
<td>03/07/14</td>
<td>MD</td>
<td>The Board will have to agree a TOM with the Council to secure a new management agreement</td>
</tr>
<tr>
<td>10.</td>
<td>Welfare Reform</td>
<td>31/03/15</td>
<td>HOHS</td>
<td>EHL will continue to work with partners to mitigate the effects of the Welfare Reforms through a local Action Plan and with reference to the East Sussex Welfare Reform Project to mitigate the impact on both EHL income and tenancy sustainment</td>
</tr>
<tr>
<td>Ref</td>
<td>Key Actions</td>
<td>Completion dates</td>
<td>Responsible Executive</td>
<td>Rationale for action</td>
</tr>
<tr>
<td>-----</td>
<td>-------------</td>
<td>------------------</td>
<td>-----------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>11.</td>
<td>Review of ASB Services</td>
<td>31/03/15</td>
<td>HOHS</td>
<td>• To ensure that an excellent service is provided to residents utilising all available legislative and other tools to tackle ASB. Complete by October 2014</td>
</tr>
<tr>
<td>12.</td>
<td>To progress development of 20 unit LANB programme to include additional 13 units and funding</td>
<td>31/03/15</td>
<td>HEDP PD</td>
<td>• HEDP are delivery agent for EBC LANB programme and generate associated fee income</td>
</tr>
<tr>
<td>13.</td>
<td>To complete refurbishment of 20 unit SHEP empty homes programme to include additional commercial units to meet HCA deadlines and secure grant</td>
<td>31/03/15</td>
<td>HEDP PD</td>
<td>• HEDP are delivery agent for the SHEP programme and generate associated fee income</td>
</tr>
<tr>
<td>14.</td>
<td>Establish Phase 2 LANB and SHEP programmes securing Council and other funding to deliver a minimum of 50 further new homes</td>
<td>30/06/15</td>
<td>HEDP PD</td>
<td>• To meet overall pipeline targets and help meet EBC corporate targets for new affordable homes</td>
</tr>
<tr>
<td>15.</td>
<td>Bring forward 1 x mixed new build development site in the Devonshire Ward</td>
<td>31/01/15</td>
<td>HEDP PD</td>
<td>• To meet overall pipeline targets, help meet EBC corporate targets for new affordable homes</td>
</tr>
<tr>
<td>16.</td>
<td>Initiate and work with local steering group to deliver Year 1 projects for Driving Devonshire Forward neighbourhood regeneration programme and secure funding to enable ongoing delivery</td>
<td>31/03/15</td>
<td>HEDP PD</td>
<td>• To meet EBC corporate priorities for Prosperous economy, thriving communities and quality environment in the main priority ward</td>
</tr>
<tr>
<td>17.</td>
<td>Develop and establish new construction skills employment, training and apprenticeship programme with Sussex Downs College</td>
<td>30/06/15</td>
<td>HEDP PD</td>
<td>• To ensure local residents benefit from new development programmes and that local training provision is more closely aligned to industry need</td>
</tr>
<tr>
<td>Ref</td>
<td>Key Actions</td>
<td>Completion dates</td>
<td>Responsible Executive</td>
<td>Rationale for action</td>
</tr>
<tr>
<td>-----</td>
<td>------------------------------------------------------------------------------</td>
<td>------------------</td>
<td>-----------------------</td>
<td>-------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>18.</td>
<td>Generate development surpluses of £100k to support delivery of new homes and neighbourhood investment initiatives</td>
<td>31/03/15</td>
<td>HEDP PD</td>
<td>• HEDP is based on deriving commercial benefits from development to support EBC corporate targets</td>
</tr>
<tr>
<td>19.</td>
<td>Implement W2</td>
<td>31/03/15</td>
<td>CFO</td>
<td>• The integration to the Council’s workflow system is part of the Future Model workstream</td>
</tr>
</tbody>
</table>
Appendix 2
Key Performance Indicators

Set out are the Key performance indicators for 2014/15. Our continued aspiration is to be Upper Middle / Upper Quartile in terms of comparative performance within our sector. A small number of targets have been loosened to reflect realistic performance or where VFM is better achieved.

There is one acronym used in this document which is explained as follows: **NI** - This indicates that this is a New Indicator (NI) and that data was not available for that period as the indicator was not previously measured.

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Corporate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>005</td>
<td>Complaints Total number received and responded to within target time (all stages)</td>
<td>37</td>
<td>107</td>
<td>49</td>
<td>100</td>
<td>100</td>
<td>N/A</td>
</tr>
<tr>
<td>012</td>
<td>Telephones % of inbound calls answered</td>
<td>NI</td>
<td>83.6%</td>
<td>95.3%</td>
<td>84%</td>
<td>95%</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>Customer Services % of calls dealt with at source</td>
<td>NI</td>
<td>NI</td>
<td>NI</td>
<td>NI</td>
<td>80%</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Operations - Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>202</td>
<td>Gas % Homes without a valid gas safety certificate</td>
<td>0.00%</td>
<td>0.10%</td>
<td>0.00%</td>
<td>0%</td>
<td>0%</td>
<td>Upper</td>
</tr>
<tr>
<td>301</td>
<td>Decent Homes % of Homes that fail to meet the Decent Homes standard</td>
<td>9.7%</td>
<td>1.5%</td>
<td>1.4%</td>
<td>0%</td>
<td>0%</td>
<td>Upper</td>
</tr>
<tr>
<td>401</td>
<td>Repairs % Completed within target time</td>
<td>94.9%</td>
<td>96.4%</td>
<td>95.7%</td>
<td>97.5%</td>
<td>97.5%</td>
<td>Lower Middle</td>
</tr>
<tr>
<td>403</td>
<td>Repairs % Completed right first time</td>
<td>83.2%</td>
<td>88.2%</td>
<td>87.2%</td>
<td>90%</td>
<td>90%</td>
<td>Lower Middle</td>
</tr>
</tbody>
</table>
## Operations - Tenancy

<table>
<thead>
<tr>
<th>502</th>
<th>Lettings</th>
<th>Average relet time all lettings</th>
<th>2011/12</th>
<th>2012/13</th>
<th>Dec 13/14</th>
<th>2013/14</th>
<th>2014/15</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>36.2</td>
<td>32.6</td>
<td>28.4</td>
<td>35</td>
<td>28</td>
<td>N/A</td>
</tr>
</tbody>
</table>

| 504 | Lettings | Void rent loss | 4.31% | 3.02% | 1.89% | 1% | 1% | Upper Middle |

| 601 | Rent | Rent collected of rent owed (inc. voids, exc arrears b/f) | 102.57% | 97.16% | 98.04% | 95.25% | 98% | Lower |

| 602 | Rent | Current tenant arrears as % of annual rent debit (exc HB) | 2.00% | 2.17% | 2.2% | 4% | 2.2% | Lower |

## Operations – Neighbourhood and Community

<table>
<thead>
<tr>
<th>702</th>
<th>Sheltered Housing</th>
<th>% of cases dealt with within agreed timescales</th>
<th>NI</th>
<th>NI</th>
<th>NI</th>
<th>NI</th>
<th>80%</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>% Clients with support plans</td>
<td>90.2%</td>
<td>98.6%</td>
<td>100.0%</td>
<td>100%</td>
<td>100%</td>
<td>N/A</td>
</tr>
</tbody>
</table>

## South East Independent Living (SEILL)

<table>
<thead>
<tr>
<th>801</th>
<th>STEPS</th>
<th>Total number of new clients</th>
<th>NI</th>
<th>1262</th>
<th>956</th>
<th>712</th>
<th>716</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>802</td>
<td>STEPS</td>
<td>Number of hours billed YTD</td>
<td>NI</td>
<td>37849</td>
<td>30455</td>
<td>40000</td>
<td>40000</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*Dec 13/14* Measured at period ending 31st December 2013.
Contact and Further Information

The following strategies referred to in the text are available for viewing on www.eastbournehomes.org.uk

- Anti-Social behaviour Strategy
- Asset Management Strategy
- Business Plan
- Communications Strategy
- Equality and Diversity Strategy
- Estate Management Strategy
- Governance Strategy
- People Strategy
- Income Management Strategy
- ICT Strategy
- Older Persons’ Strategy
- Procurement Strategy
- Resident Involvement Strategy
- Risk Management Strategy
- Value for Money Strategy

The following documents were reviewed and are available for viewing on www.eastbourne.gov.uk

- Performance Plan
- Community Strategy
- Crime Reduction and Substance Misuse Strategy
- Housing Strategy

The Local Area Agreement is available for viewing on www.eastsussex.gov.uk

Alternatively if you would like a copy of any of the above strategies, or have any comments or questions relating to this Annual Plan please contact:

Alan Osborne
Chief Finance Officer
Eastbourne Homes Limited
Ivy House
3 Ivy Terrace
Eastbourne
BN21 4QU

Tel: 01323 436436
Email: alan.osborne@eastbourne.gov.uk
If you would like an audio version of this document, a version in larger print or a summary in a different language, please contact our translation service Southeast Interpreting and Translation Service on 01273 473986
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If you would like this document in an alternative format such as large print, audio or digital talking book, please contact Eastbourne Homes 01323436436.
[French]

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[Portuguese]

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[RUSSIAN]

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