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Business Planning and financing for housing

...from the perspective of an ALMO

- Established in 2002 with ten year contract
- Delegation includes responsibility for management of the HRA (strategy/planning/day to day management)
- Manage 16,000 properties (including 2,500 leaseholders)
- Employ workforce of 600 and spend 30% of annual budget on procured services/works and goods

Current approach to business planning

- Annual cycle of 'Plan-Do-Review'
- Link between overall HH Mission and strategic focus and...
 1. Financial planning
 2. Asset management planning
 3. Service development planning (projects and programmes)
 4. Service delivery objectives (business as usual performance targets)
- Essential threads of consultation and engagement with all stakeholders (residents/ Council/ Management and staff/ Suppliers/ external partners)
- Importance of quarterly review and risk based analysis
- Approach marked by short-term thinking (time constraints/volatility)

- Responsible for all aspects of the Housing revenue account
- Completed DH in 2006, achieved three star rating in 2005, recently verified by LGID (formally IDEA)
Peer review



How does the current system look?

- Golden thread...from residents to Board and back and lopped approach...
- Very simple format...one page A4 for priorities for year (with project management system in place)
- Dashboard covers all business critical activity and delivery of agreed tenants/leaseholder standards
- Financial plan ensures resources available to deliver service priorities plan
- Regular quarterly reviews ensure accountability

What adjustments will we need to make in the new world of self-financing?

1. Move from short-term planning to medium and long-term planning
2. Requirement to 'future proof' and vision for the future including changing aspirations/lifestyles/standards
3. Importance of having and accessing quality data and evidence
4. Ability to scope the soft and the hard political landscape...
5. New skills required in business planning from the perspective of a 'social enterprise' with 'social outcomes' our primary purpose

So what will this require of us?

- More ability and sophistication in the Governance team...better strategic leadership
- More 'business savvy' senior management
- Reliable data (especially on the assets and demographics)
- Requirement that as organisations we keep alert to the changes in the business environment driven by technology/ new business models/ and global features
- Refreshed approach to 'risk' management...so that we can get the balance right...

Notes to self!!

- Ensure that residents are involved every step of the way.
- Get out more and see what other businesses are doing
- Hang out with the teenagers and keep up with technology
- Ensure that our data is reliable and that we have the in-house competency to use it.
- Consider the opportunities available (e.g. improved procurement arrangements, sharing services options)
- Manage the 'fear factor'...develop capacity for risk.
- Continue to attract the best people onto the Board.
- Be bold...

Thank you