



## BYKER COMMUNITY TRUST AT A GLANCE

### BRIEFING FOR BOARD MEMBERS

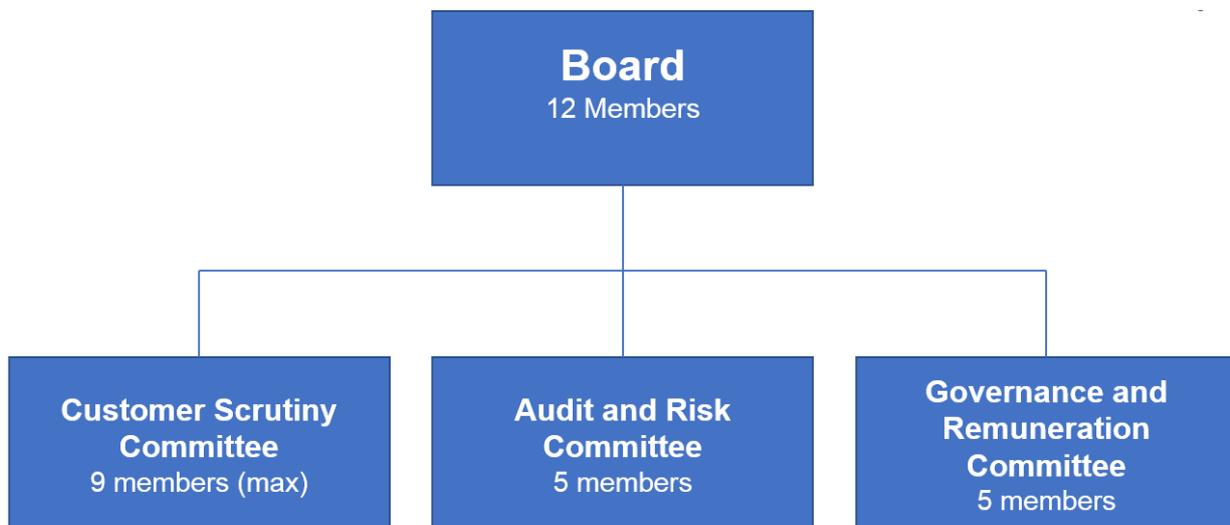
#### WHAT ARE WE FOR?

The Byker Community Trust (BCT) is a Housing Association which was established in July 2012 following the successful ballot of Byker tenants, proposing the transfer of the Estate from Newcastle City Council to an independent body in order to:

- Secure the much needed investment to upgrade the Estate;
- Involve residents in greater direction of services;
- Ensure service reviews led to improvements in the delivery to tenants.

#### HOW IS BCT RUN?

BCT is established as a 'Community Benefit Society' under model rules promoted by the National Housing Federation, the trade body for independent providers of social and affordable housing.



BCT's Board has 12 members who are Non-Executive Directors (NEDs) with ultimate legal responsibility for BCT:

- Five independent members appointed by the Board and approved at the AGM;
- Three tenants elected at the AGM by tenant shareholders/members of BCT;
- Two Council nominees appointed by Newcastle City Council.
- Two additional members who can be either Tenants or Independants.

The Board meets eight times a year and the first part of each meeting is in open session where anyone is welcome to observe. Commercially sensitive and other confidential business is conducted in private session. Papers for the public part of the meeting are published on the BCT website in advance. The AGM takes place in September each year, it is open to shareholders who participate and others who can observe the proceedings.

The key areas for the Board to determine are:

- The **organisation's strategy**, currently expressed in the Corporate Plan 2015-2020, and individual detailed policies supporting the strategy;
- The **structure of the organisation** in terms of how services are delivered (Appendix A How BCT Deliver Services), the appointment of the Chief Executive who has delegated authority over the operational work of BCT, and any support required for the organisation to operate efficiently; for example the appointment of our Audit & Risk Committee, Governance and Remuneration Committee or Customer Scrutiny Committee;
- The **financial resilience and performance** of the organisation to ensure we are robust, solvent and able to deliver to residents as well as ensuring value for money including approval of the **Business Plan** and **annual budget** ;
- **Risk assessment and mitigation** policies so we operate successfully and guard against difficulties in the operating environment;
- **Governance policies** to ensure that we act with transparency and propriety with strategic oversight of the organisation's performance.

We have a set of **Governance Principles**, observe the **Code of Governance** of the National Housing Federation (of which BCT is a member) and publish corporate policies which govern our operations, for example our **Code of Conduct**, **Scheme of Delegations** and **Financial Regulations** among others.

The key reports considered by the Board in overseeing BCT's work include:

- Quarterly Corporate Plan updates;
- Quarterly Strategic Risk Register Reviews;
- Quarterly Operational and Financial Performance Reports;
- Quarterly Investment Programme Reports;
- Bi-annual Review of the Business Plan;
- Annual Review of Health and Safety Policy and Bi-annual Review of Health and Safety Performance and Practice;
- Periodic reports from the Customer Scrutiny Committee;
- Approval of the Annual Report and Financial Statements.

The Board is supported by three Committees:

- The **Audit & Risk Committee** scrutinises financial statements, manages internal and external audit, internal controls and business assurance, monitors and scrutinise BCT's risk management systems/processes and compliance with the terms of our loans;
- The **Governance & Remuneration Committee** oversees all matters of governance and Board membership, skills and planning, approves salaries of the Board members/Chief Executive and key HR matters.
- The **Customer Scrutiny Committee** reviews service standards in line with budget parameters, monitors customer satisfaction and complaints, and encourages tenant involvement.

## WHAT HAVE WE DONE TO DATE?

Since the stock transfer in July 2012 we have:

- Completed the majority of investment promises with only a couple remaining which are planned to commence in 2018/19:
  - the improvements to the former sheltered housing scheme Avondale House have been completed and it is now home to Armed Forces Veterans;
  - the external refurbishment of the Byker Wall and the upgrade of the concierge and security system are complete;
  - the District Heating Infrastructure Upgrade will complete during 2018-19 and a new biomass boiler has been installed stabilising heating and hot water charges on the Estate (now frozen for seven years);
  - Chirton House has been converted to house older residents including adapted properties for residents with disabilities;
  - over 120 unimproved homes have now been modernised internally to the “Decent Homes” standard as part of an Omits programme;
  - converted 10 ‘hobby rooms’ into much needed new apartments with two adapted for residents with disabilities; the five ‘link’ bridges connecting the link blocks to the Byker wall have been repaired and redecorated;
  - the external and communal upgrade of BCT’s two sheltered accommodation buildings – Tom Collins House and Mount Pleasant, is on site and due to complete in Autumn 2018;
  - work has commenced to convert Ralph Erskines former office on Brinkburn Street into 4 apartments, two of which will be adapted properties for residents with disabilities;
  - 2018-19 sees the commencement of:
    - District Heating internal improvements to all 2000 homes connected to the system;
    - The procurement, consultation and design of the environmental upgrade of the Estate;
    - Following our comprehensive stock condition survey, 2018 will also see the start of essential planned investment across the estate. To date we have committed over £31M in investment with a further £10m planned up to 2025.
- **Improved communications and engagement on the Estate in consultation with residents**
  - since stock transfer this has been a priority area for BCT. Shortly after transfer we recruited external specialists to work with tenants on an intensive consultation exercise to develop a Byker specific **Community Engagement and Empowerment Strategy** and **Equality and Diversity Strategy**.
  - tenants’ contribution to BCT is invaluable and their support for the organisation is continually helping us to shape and improve services as well as delivering value for money. During 2018, with the help of our tenants, we have implemented a Customer Scrutiny Committee and Tenant Engagement Framework (Appendix B) to reinvigorate involvement and our tenants role in reviewing performance and service standards. Working in partnership with tenants in this way supports BCT’s Corporate Plan Objectives and Vision for 2020, to maximise access for local people into employment, training, health and educational opportunities.
- **Undertaken a comprehensive review of service delivery** and put in place new arrangements with effect for October 2016 aimed at achieving higher quality services, improved performance and satisfaction and value for money. The new arrangements are a mixture of ‘in house’ service management and new arrangements with Karbon Solutions Ltd (**KSL**) through an innovative cost sharing partnership.

## WHERE DOES THE MONEY COME FROM?

BCT's investment programme is financed through the rents and service charges it collects. This income is also used to pay loans which we have taken out and is sometimes topped up with various grants:

- The major funding comes from a current 10 year facility to 2025 of £26M agreed with **Yorkshire Building Society** to deal with the majority of the Estate renewal and investment programme;
- The District Heating Upgrade is funded by a 25-year loan facility from **Newcastle City Council**;
- The Bolam Coyne rebuild was funded through grant aid from Homes England and borrowing from NCC. We have paid off the loan element so this asset is now debt free;
- Grant funding was provided by a MOD Community Covenant Grant towards the refurbishment of Avondale House;
- Newcastle City Council provided empty homes grant funding towards the conversion of Chirton House into 16 new apartments;
- Empty Homes funding has been obtained from Homes England contributing towards the costs of creating 14 new apartments from disused Hobby Rooms and an old council office on Brinkburn Street converted into 4 apartments.

## WHAT ARE OUR CHALLENGES AND RISKS?

Stock transfer organisations face significant challenges, especially in their early years:

- Financial resilience given the debt financed investment programme, so income management is of prime importance;
- Delivering on investment and other promises, so realistic timetables and clear communication are vital;
- Creating an identity and the new 'Byker Approach' housing management model.

BCT has an established **Strategic Risk Register (SRR)** which highlights the main risks and strategies to mitigate them. The Board reviews these quarterly and they are kept under monthly review by the executive team. Our most important current risks relate to government policy changes – the **mandatory reduction of rents by 1 per cent per year** for four years to 2019/20 (this will lead to a loss of £2M income in that period and a total of £7M in the period up to the end of our current loan facility in 2025); **Welfare reforms and the freeze on a range of benefits**. These are in addition to the impact of the **bedroom tax** and the introduction of **Universal Credit (UC)** and a further reduction in the overall **benefit cap**. Singly, and in combination, these changes present a significant challenge to the BCTs income management to avoid excessive rent arrears. **The European Court of Justice** ruling on Cost Sharing Exemption partnerships puts into doubt whether Housing Associations will qualify for the VAT cost-sharing exemption, putting further pressure on our Business Plan should it be withdrawn.

## HOW ARE WE REGULATED?

As a 'Registered Provider', BCT comes under the regulatory umbrella of the Regulator of Social Housing (RSH), which publishes a framework of **Consumer and Economic Regulatory Standards** that housing associations must adhere to.

RSH monitors compliance with its Economic Standards which cover the Governance and Viability of housing providers. Following a recent in-depth assessment, BCT has been given the following ratings:

<b>Viability</b>	<b>V2</b>	<b>(Compliant)</b>
<b>Governance</b>	<b>G2</b>	<b>(Compliant)</b>

In both cases BCT meets requirements but needs to improve in some aspects. BCT Board has adopted a 2018 action plan to achieve a G1 rating for Governance. BCT's Viability rating is determined by the strength of its Financial Business Plan. The Board and Executive Team continue to look for good Value for Money and new initiatives to improve BCT's financial strength.

August 2018

# How BCT Deliver Services

Chief Executive

Finance and Resources

Finance and Budget Management

Board and Governance

Back Office Administration

Human Resources

Property

Investment Programme and Capital Works

Asset Management

Corporate Health and Safety

Planned and Cyclical Maintenance

Operations and Performance

Neighbourhood Management

Tenancy Enforcement

Customer Service

Welfare and Employability Advice

Customer Engagement and Involvement

ICT

Repairs and Maintenance

Grounds Maintenance

Income Management

\*Sheltered Housing

Concierge and Cleaning



## Contact Us

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[www.bykercommunitytrust.org](http://www.bykercommunitytrust.org)

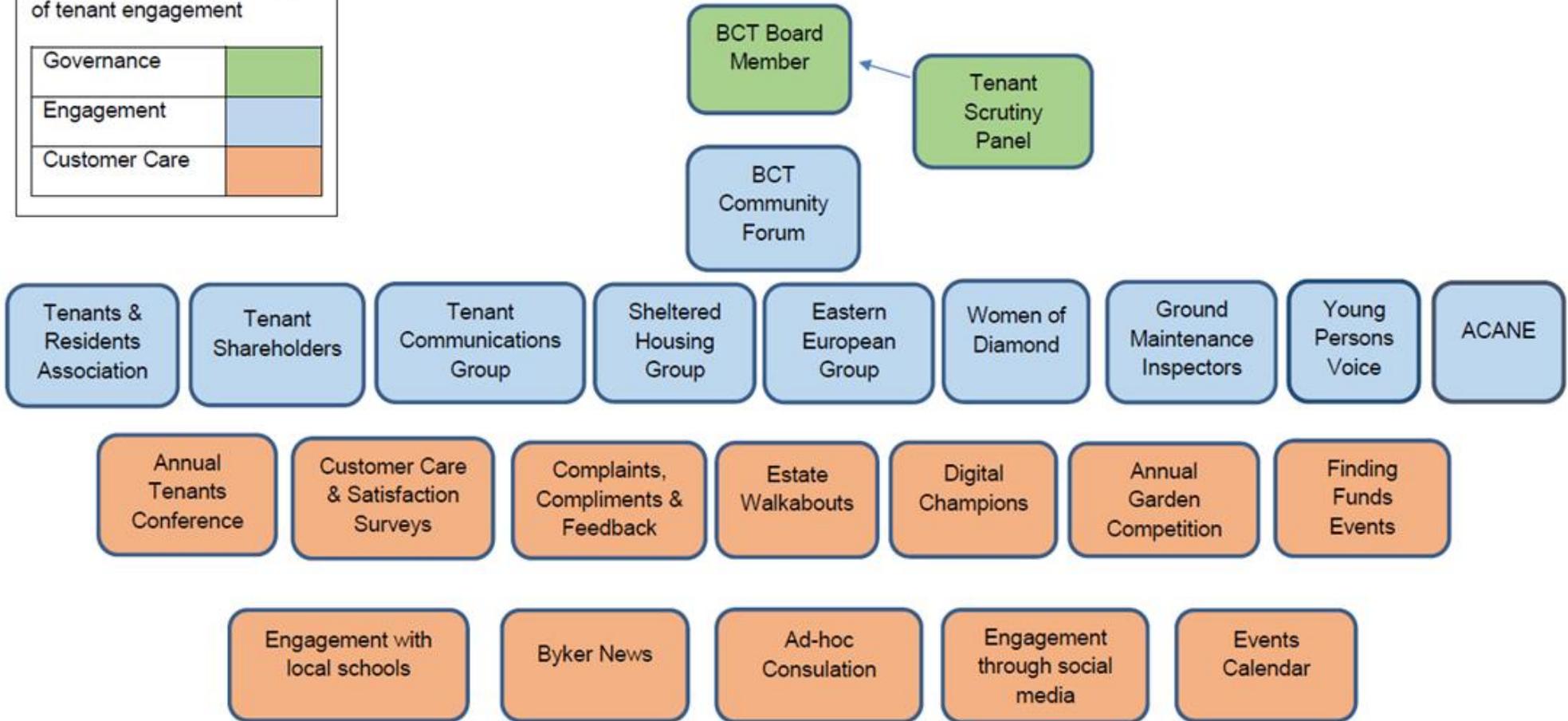
- Delivered directly by BCT
- Delivered in partnership with Karbon Homes – Karbon Solutions Ltd
- Delivered under contract with Your Homes Newcastle

\* Sheltered housing properties are allocated by the BCTs Neighbourhood Housing Team.

# Tenant Engagement Framework

Each colour indicates the type of tenant engagement

Governance	
Engagement	
Customer Care	



The diagram shows Byker Community Trust's, three tier Tenant Engagement Framework.

## Tenant Engagement Framework

The table shows the Tenant Engagement Opportunities which are presently available to Byker Community Trust tenants. This three tier structure acknowledges and encourages tenants to get involved in a way which best suits them

Each colour indicates the type of tenant engagement

Governance	
Engagement	
Customer Care	

Tenant Engagement Opportunity	What type of issues Tenants and residents will be involved in
BCT Board Member	The BCT Board regulate BCT, approving policies and service changes. They set long term objectives for BCT to determine the strategic aims and outcomes required to achieve the Business Plan.
Tenant Scrutiny Panel	The Tenant Scrutiny Panel scrutinise and co-regulate BCT's services and provide reports for the Board to consider in relation to their findings.
BCT Community Forum (Currently in development)	The Community Forum will become BCT's main consultation group. All residents will be able to join this group and representation will be encouraged from all groups across the community.
Tenants and Residents Association	Tenant and Resident Associations consider issues effecting the area in which they live. There are presently two Tenant and Resident Associations; Gordon Road TARA and Byker Village TARA.
Tenant Shareholder	Tenant Shareholders can attend and vote on issues raised at the BCT Annual General Meeting and Special General Meeting. They can also vote in BCT Board Member Elections.
Tenant Communications Group	The Tenant Communications Group look at how we communicate with tenants and review our publications, such as our Byker News newsletter and Annual Report to Tenants.
Sheltered Housing Group	The Sheltered Housing Group help us to understand and explore the issues which effect tenants living in our older person's accommodation.
Eastern European Group	An Eastern European Group is developing to give a voice to this section of our community so that we can understand the issues which they face, and adjust our services accordingly.
Women of Diamond	The Women of Diamond are a group made up primarily from ladies from the African community. The group is however open to all women. They are a self-support group who communicate regularly with BCT and also raise money from good causes.

Grounds Maintenance Inspectors	The Grounds Maintenance Inspectors provide real time feedback in relation to the work that has been completed in their area by the Grounds Maintenance Team.
Young Person's Voice	This group will provide opportunities to understand what young people's views are in relation to the community they live in. This group will be supported through some of our existing partnership arrangement that engage young people.
ACANE	Working closely with ACANE allows BCT to engage with a well established organisation that operate on the Byker estate dealing predominantly with the African community.
Annual Tenants Conference	The Annual Tenant Conference is open to all tenants to attend. It is an opportunity for tenants to find out about BCT and plans to develop and improve these services in the future. The conference also provides the opportunity for tenants to meet and speak to members of staff providing services across the Byker estate.
Customer Care and Satisfaction Surveys	All tenants will receive a Customer Care Visit to obtain feedback upon the services that BCT provide. This also allows BCT to complete a property inspection. Satisfaction Surveys are also used to enable them to provide feedback in relation to the service which they have just received. We use this feedback to bring about service improvements.
Ad-hoc Consultation Events	We will hold Ad-hoc consultation events to outline future projects or changes to services in order to seek tenant's feedback in relation to these proposals.
Complaints, Compliments and Comments	We welcome feedback from tenants about the services they receive. We want to get things right first time however if don't we welcome feedback to provide us with the opportunity to remedy the problem. We will use the learning from that experience to improve services further for the future.
Estate Walkabouts	The Neighbourhood Housing Officers carry out four estate walkabouts each year. The Estate Walkabouts are promoted widely and we encourage tenants to join and tell us about any particular issues that are affecting their area.
Digital Champions	There are several Tenant Digital Support Volunteers who provide I.T. training to encourage people to improve their confidence and skills and help them get online. This also allows BCT to obtain feedback relating to service provision.
Annual Garden Competition	We will support the delivery of a Garden Competition to encourage tenants to look after the environment they live in. This also allows BCT to obtain feedback relating to environmental issues on the Byker estate.
Finding Funds Events	These are sessions delivered in partnership with the NCVS aimed at community groups, charities and residents looking to attract funding for projects that involve and/or support the community living in Byker. The events provide BCT with an opportunity to obtain feedback around community needs and aspirations.
Calendar of Events	BCT publish a rolling calendar of events that allow BCT to engage with tenants through various activities that are delivered either by BCT or through various partnerships.
Social Media	BCT use social media in order to engage with tenants and residents. This allows BCT instant access to tenants in terms of the provision of information and receiving feedback.
Byker News	Byker News is an award winning publication that is produced on a quarterly basis by BCT. The publication allows BCT to consult and receive feedback upon issues included in the publication.
Engagement with local schools	By engaging with local schools, BCT have an opportunity to engage with all school age children on the estate. This may be through one off initiatives or ongoing projects.