

Primary Update

News from **Primary Business Support**
Providing Management Services for Social Landlords

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Issue 7

A variety of projects

This has been another busy year for Primary Business Support. We started the year completing a transfer of engagements (ToE) from The Gundreda Housing Association to Sussex Housing and Care. This was successfully completed in June and the transfer became effective on 1st July. Barely had we filed the paperwork when we were asked to assist the Soroptimist (Eastbourne) Housing Association in the consideration of another ToE.

During the early summer we worked with Signpost Housing Association undertaking a review of its arrangements with Signpost Services, its repairs and maintenance provider.

We have continued to work as associates to HouseMark and have undertaken work with Southampton City Council in a review of its voids arrangements and the implementation of the action plan we developed with staff last year. We also undertook a comprehensive re-write of the City Council's void procedures through three integrated procedures to be used by the voids repairs team, the allocations team and the neighbourhood management teams.

Included in this issue you will see a number of client comments about the benefits and quality of our service.

As autumn approached we worked with The Escape, the Basingstoke marketing and consultancy business, in undertaking a comprehensive review of HouseMark's marketing and communications strategy.

We have maintained our work with Test Valley Rural Housing Association and have been working on an imaginative development proposal for the association that remains under wraps for the time being and we have undertaken a review of the association's sewage treatment plant, consents and maintenance arrangements.

Finally, we have continued our relationship with Baqus Boxall Sayer Construction Consultancy through work on two due diligence reports for funders on pfi projects.



What else can we do?

Primary Business Support is a specialist social housing consultancy that works with housing associations, local authority housing services and also supports other suppliers to the sector.

Details of recent work can be found on the 'Primary Projects' tab of the Primary Business Support website at www.primarybs.co.uk.

We have contacts within a number of associated disciplines including civil engineering, quantity surveying, legal services, marketing and promotion and interim management.

In addition to working direct for clients we are able to work in association and effect introductions where appropriate. We also operate as Associates to HouseMark and IMS Executive.

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Melchet View, Sherfield English, TVRHA's latest development

Transfer of Engagements

“Your dedication to your work is fantastic.”

*Graham Cloake,
Chairman,
Gundreda Housing
Association*



“Whilst naturally your first duty has been to act on behalf of Gundreda, you have been a great help to us at SHC as well and the process would have been immeasurably more difficult for us without you.”

Martin Burke, Chief Executive, Sussex Housing and Care

We have worked with the Gundreda Housing Association over a number of years. Initially we worked with the Board in reviewing its management arrangements and then tendering for a new managing agent; we undertook a post implementation review for them and then last year we were invited to assist the Board in re-tendering the management contract through an EU procurement exercise.

Not long after this work started the Board decided that it wanted to consider a transfer of engagements to a like minded association as an alternative to tendering. We assisted the Board by identifying their selection criteria and drew up a shortlist of associations that met their needs. From this, interviews were undertaken with the Chief Executives of two associations and Sussex Housing and Care (SHC) was selected with which to progress the transfer.

Gundreda employed three members of staff directly and so there were issues of TUPE to be taken into account and the required consultation took place with staff. We worked alongside lawyers at Coffin Mew LLP who ensured the legal aspects were managed properly.

Resident consultation was undertaken through a number of meetings at which the Board was represented and key personnel from SHC also attended. Peter Bird attended to act as a facilitator, assist the Board and act as an advisor.

There were the anticipated questions about rent levels, repairs performance and the intentions of SHC regarding the future of the properties and interestingly concerns from one resident about the number of improvement works planned to be undertaken pre and post transfer.

There were also questions from residents and the Board alike regarding the use of the reserve funds that would be transferred under a ToE. We worked with a sub committee of the Board of Gundreda in negotiations with the Chairman of SHC, Brian Porter, and his Chief Executive, Martin Burke and agreed a comprehensive set of terms for the transfer which dealt with the use of reserves and included the creation of a transitional group to oversee the integration of the Gundreda residents and staff into the SHC organisation.

Whilst residents stressed their satisfaction with the existing arrangements there was seen to be genuine excitement about the benefits that moving to a larger organisation could bring.

Consultations were undertaken with other stakeholders, including the district council and the Supporting People team at the County Council, both of which supported the transfer.

Due diligence was undertaken by SHC to ensure that they were clear on what they were acquiring and any liabilities that may come with the transfer. We undertook a due diligence exercise for the Gundreda Board to ensure that SHC was indeed an association worthy of ‘inheriting’ the Gundreda stock. SHC was found to be an excellent organisation with very high levels of tenant satisfaction and a strong financial position. It was also an organisation that demonstrated genuine care for its residents.

Following the required two special general meetings of the Gundreda Association and a Board meeting of SHC, where the transfer was agreed, reports were prepared for the Regulatory Advisory Committee (RAC) to the Housing Corporation and the various forms for the FSA were prepared.

The RAC approved the transfer on 19th June and the transfer took effect on 1st July. Good liaison between ourselves and the Corporation, the FSA and the Gundreda Company Secretary ensured that the inevitable niggles were overcome quickly and successfully.

Soon after completing the Gundreda ToE we were approached to undertake a similar exercise for the Soroptimist (Eastbourne) Housing Association and we are currently working on this project. Whilst this is proving to give us further experience of the transfer process there is a danger that we may be perceived to have a reverse ‘midas touch’. However our work in other areas will hopefully show that we can help organisations develop as well as dissolve!





Assessing value for money when using a DLO

In March we were appointed by Signpost Housing Association (SHA) to undertake a review of its repairs supplier, Signpost Services Limited (SSL).

The two organisations are part of the newly formed Spectrum Housing Group and staff at SHA were keen to be able to demonstrate that they were receiving value for money from SSL and that working practices employed by SSL were of a kind that might be expected from an organisation working so closely with an RSL.

The work entailed a full review of the repairs processes for responsive repairs from the tenants' first point of contact through to completion of the repair. We also investigated arrangements for planned maintenance and landscape maintenance, including the tendering processes, documentation and appointment arrangements.

The work was undertaken through a desktop review of documentation followed by discussions with key managers and then observation of staff undertaking the administration of the services.

The findings were presented in a comprehensive report that included a number of graded recommendations.

The documentation was focussed on the needs of SHA but at the request of the client we went on to produce a report that was focussed on the needs of SSL and which could form the basis of an action plan to improve the services provided.

It was impressive to see the arrangements that exist between SHA and SSL which are based on a common sense approach and which are designed to provide a high level of customer satisfaction through the partnership approach of the two organisations.

Annual programmes and budgets are agreed and managed jointly and there is an excellent 97% customer satisfaction with repairs whilst expenditure has been managed to be within 1% of budget for the past two years.

The key areas identified for action in the review revolved around maintaining the high level of partnership working whilst being able to demonstrate value for money.

"The report and action plan was presented to the Board of SHA and members were impressed by the detail, clarity and practical outcomes" said Yogesh Vadgama, SHA's Asset Manager

By following the recommendations within the report SHA and SSL will be confident that they are delivering a high quality service that complies with the requirements placed on RSLs and those operating in the public sector. They will also place SSL in a position to bid for further contracts in the public sector, confident in the knowledge that their services have been audited for compliance.

Signpost Services Limited Managing Director Paul Bryan can be contacted on 01258 484810 or 07977 014 054.

"As a result of the review we received a comprehensive report that includes a valuable and practical list of recommendations that will enable us to work with SSL to make further improvements to the service."

*Yogesh Vadgama,
Asset Manager
Signpost Housing
Association*



Working in partnership

IMS Executive

We have developed an association with IMS Executive to supply interim managers and consultancy in a wide range of disciplines.

A typical approach would be to work with the Client to determine the core issue to be addressed and then agree the approach. If interim management is the most prudent solution, IMS would deliver a portfolio of suitable Interim Executives within 72 hours.

IMS Executive operates at the levels of Chief Executive, Director and Senior Management and provide Interim Executives for gap management, project management, change management and turnaround, assignments etc.

A quick case study: A 2 star local authority was seeking consultancy in e-procurement. We were able to agree that a team of Interim Executives was a more appropriate response - an immediate saving to the Client of £250,000 was achieved.





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Marketing and Communications Review

In September we were invited to assist The Escape Marketing and Consultancy in a review of the marketing and communications strategy and practices of HouseMark.

Those who work in the sector will know HouseMark for the high quality benchmarking service that it provides through its subscription service, however, it also provides a good practice service and general consultancy, primarily through a number of consultancy 'products' largely based around performance and efficiency.

We worked with The Escape and undertook consultancy comprising process review through interviews and undertook examination of in-house documentation, including the marketing strategy 2008, the business plan and budget and expenditure information.

We also designed a telephone survey seeking views and assessment by HouseMark's existing subscribers, clients and potential clients. This allowed us to identify how HouseMark is perceived and how its competitors are viewed. It also provided a wealth of information that can be used to inform HouseMark's marketing strategy 2009.

"The review has highlighted a number of areas that will help us to make our range of services better known to the sector."

*Samantha McGrady,
Deputy Chief
Executive, HouseMark*

Staff at The Escape undertook a comprehensive review of HouseMark's existing marketing collateral including leaflets, online literature and its website.

The work identified a number of areas where alternative approaches can be considered to identify the market needs, hone 'products' and services to meet client needs and develop awareness through a structured promotional programme.

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What might be found in a good marketing strategy?

Marketing is often confused with promotion but promotion is really just the tip of the marketing pyramid. A good strategy should consider the environment in which you operate, the activities of your competitors, the direction in which the business is developing internally and externally and the opportunities that these factors present.

Useful tools in developing a strategy are PESTLE and SWOT analysis. For marketing strategies a key outcome should be a detailed and costed promotional plan tuned to the promotional needs falling out of the strategy.

The various aspects of the strategy may exist in a dedicated, comprehensive marketing strategy but in smaller organisations this may be split between several documents including the business plan.

Do housing organisations need to think about marketing strategy?

They certainly do! And in many ways they will already have them, even if they don't have it in a specific marketing strategy. However, there will be clear benefits in undertaking a focussed marketing review and producing a strategy document.

Developing RSLs will be familiar with assessing housing needs and undertaking market research before determining the mix of any new development. This may be considered 'segmenting the market' to assess what segments exist, which are being addressed and which are suitable for development.

The concept of formal marketing strategy can be extended to look at the whole organisation and this will become increasingly important for associations that expand into work in areas outside their original geographic boundaries and compete for resources as diverse as land, staff and finances.

We have worked with several associations that are aware of these needs and we have developed communications strategies and marketing strategies for individual associations and consortia working in the sector that have helped them compete.

If you would like to discuss your marketing and promotional needs please get in touch for an informal chat. By working in partnership with The Escape we are able to provide you with a comprehensive service.

A final thought, your strategy will describe how you develop a public image but do you need a public image? Well you'll have one whether you manage it or not — it's best to be in control...