

D'Eynsford Tenant Management Organisation

By the residents, for the residents.



BUSINESS PLAN

2015-2018

Working in partnership with Southwark Council



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1. Executive Summary

D'Eynsford Tenant Management Organisation (TMO) was set up in February 2013 to enable residents on the D'Eynsford Estate in Camberwell, SE5 London to take control of estate services such as the cleaning, repairs and rent collection.

We intend to take over most estate services from Southwark Council in Summer 2015 and this plan outlines how we will prepare for and manage that process. It also sets out our priorities and a budget for the first three years of operation, to 2018.

The TMO is led by a volunteer board of residents who have been working on this project since 2010, when it was kicked off by the Tenants and Residents Association (TRA). Over the last five years, we have carried out a lot of work and talked to many residents to investigate whether this is the right move for our estate. We are now confident that becoming a TMO will enable us to make our estate an even better place to live.

We have a clear shared vision of how we want our estate to be and we are committed to making it a reality. Along with excellent services and strong community spirit, environmental responsibility is equally important to us and these three elements will guide our decision-making.

At the heart of our plan for delivering estate services is the recruitment of a team of professional staff who will work exclusively for us, based in our own estate office. We believe an on-site team will be the key to transforming services as they will be able to dedicate all their attention to the estate and tailor services to our needs. We will carefully select contractors and other specialists to work alongside our staff. After setting things up and making sure they are running well, we will then consider taking on other services like the heating and management of the sheltered unit.

By providing good quality, joined up services, we are confident that we will be able to make efficiency savings on the financial allowances provided by the Council (where the money comes from). This will enable us to use the money we save to provide additional benefits for residents such as free estate wifi (with PCs in the office for residents' use) and a community gardener.

Of course, with an annual budget of nearly £½ million, running a TMO for our estate is a big responsibility. But we have looked carefully at the risks and will use this plan to keep a close eye on developments and make sure everything stays on track.

This is an exciting time for our estate.

2. Organisation details

Organisation name:	D'Eynsford Tenant Management Organisation CIC	
Registered office:	29 Belham Walk, London SE5 7DX	
Tel:	07854 871145 (James Traynor, Chair)	
Email:	deynsford@gmail.com	
Website:	www.deynsford.org	
Community Interest Company (CIC) number:	8395845 (registered in England and Wales)	
TMO Board (elected May 2014):	Chair	James Traynor
	Secretary	Kate Damiral
	Treasurer	Nelson Correia
	Vice Treasurer	Elizabeth Sheeran
	Vice Chair	Tom Leighton
	Membership Secretary	Inês Teles
	Other Board Members:	Kwende Anbessa-Ebanks, Dorothy Adongo, Rob Beer, Pete Dolan, Connie Gray, Beatrice Otu-Ansah

3. Introduction to the TMO and our Plan

About our estate

D'Eynsford is a culturally diverse community. Our Estate includes people from many countries with - as suggested by our 2011 survey - around 45% black (African/Caribbean/British) and 45% white (various)¹ residents, plus a range of other ethnic backgrounds including Asian and Latin American. This is more diverse than the Southwark average which has approximately 55% white, 27% black and 10% Asian population. The estate has many families and older residents with 30% of households with children and 30% including at least one person over 60. The estate is within an area of social deprivation.² It is situated in Brunswick Park Ward just off Camberwell Church Street in the heart of Camberwell, SE London. The TMO area is made up of mainstream housing and sheltered accommodation. The buildings are typically three storey masonry construction with pitched roofs. The types of homes vary from 1 bed flats to 4 bed maisonettes and were built in the 1970s. There are 360 homes: 260 are occupied by Council tenants and 100 are leasehold.

Why we are setting up a TMO

We are setting up a TMO because we believe that this will provide:

- Better services for everyone - quicker and higher quality
- A local staff team working directly for us
- An on-site estate office
- Value for money
- More control for residents.

The history of the TMO project

In 2010 the TRA started to look into whether a TMO could work for our estate. A sub-committee was set up and after investigating different options for improving things and talking to residents, we voted to set up the TMO in November 2011 and served the council with

¹ D'Eynsford TRA door-to-door consultation (January 2011), 40% response rate

² Within the 20-30% of most deprived areas according to the Index of Multiple Deprivation (2007)

a legal 'right to manage' notice. In March 2014, residents voted yes to the TMO (87% yes vote, 47% turnout) in a ballot organised by the Council.

The management agreement we are negotiating with Southwark Council forms a legally binding contract and sets out our responsibilities and those of the Council. We will receive a management and maintenance allowance from the Council to enable us to provide these services, which is based upon what it has cost the Council to provide the same services.

D'Eynsford TMO has been set up as a not-for-profit Community Interest Company (CIC). All tenants, leaseholders and private tenants aged 16 and over are entitled to become members. This enables all members to participate in the decision-making processes of the TMO. However the TMO will deliver services to all of the residents whether they are members or not. Our current membership totals 98 residents³.

Our TMO is managed by a volunteer board of residents currently consisting of 12 members who were elected at the Annual General Meeting in May 2014 who are representative of the ethnic make-up of the estate and with a wide range of ages. However, whilst 58% of the Board are leaseholders and 42% are tenants, 72% of Estate residents are tenants and 28% are leaseholders. We will therefore be striving to attract more tenants to the TMO Board.

Residents' concerns

Whilst our 2011 door-to-door survey revealed that overall satisfaction levels with estate services were generally good, the more detailed analysis revealed particular concerns with:

- Repairs generally
- Contacting the call centre for repairs
- The condition and cleanliness of internal communal areas
- Service charges for leaseholders
- Anti-social behaviour of some residents.

These issues have continued to be raised by residents in further rounds of consultation carried out over the past two years, at fun days, weekend pop up consultation stalls, meetings, in the estate newsletter and at a second door-knock in April 2013 (reaching over 40% of households) to introduce and gather feedback on the core ideas in the business plan. 80% of residents we spoke to were in favour of our proposals and only two individuals were against, with others opting to read our six-page information pack to consider the plan further.

To maintain the expected levels of privacy, we do not distinguish between leaseholders and tenants in our various consultations. Other than concerns over service charges which are specific to leaseholders, residents (both tenants and leaseholders) have revealed that

³ At the time of writing, October 2013.

they have very similar concerns as a group (as outlined above). Having said this, leaseholders have shown their support by becoming members of the TMO, making up 34% of our current membership⁴ and we are careful to cater to them in a number of ways. These include holding leaseholder-centred information sessions - such as the session held on 10th September 2013 on how the TMO will affect leaseholder bills, ensuring there are leaseholder-specific details in our TMO packs and by sending letters to non-resident leaseholders where possible to keep them informed.

Our plan

This business plan sets out how the TMO will respond to residents' concerns from the very start. Our plan covers the TMO's first three years of operation, from summer 2015 to 2018.

The plan includes our vision of the future for our estate and what the TMO will do to work towards that goal. We list the services we will run, the staff and volunteer team we plan to create, and our key objectives (aims) for the next few years.

At the heart of our plan - in direct response to our residents' needs - is the creation of a professional staff team, working exclusively for our estate. This includes: a full time handy person assessing and fixing the majority of small repairs quickly and efficiently; an estate office staffed throughout the working day where residents can receive a personalised service from familiar faces; a full time housing officer (almost double the current support) able to dedicate far more time to working with residents to resolve anti-social behaviour problems; and a commitment to investing in the improvement of communal areas as an early priority.

⁴ At the time of writing, October 2013.

4: Our Vision, Mission and Values

Our Vision

Our vision is for D'Eynsford Estate to be an even better place to live, with excellent services and lovely surroundings, where everyone is neighbourly, has the opportunity for self-development, takes pride in their community and can live well at home without damaging the environment.

Our Mission

We will work towards our vision by:

- Providing the best housing and community services possible for our residents
- Creating a greener estate and choosing environmentally friendly options wherever possible
- Running a diverse and inclusive activities programme
- Providing opportunities for residents to further their potential through taking responsibility for the estate
- Putting our community at the heart of everything we do, ensuring that decisions reflect the needs of residents.

Our Values

We believe in:

- Ensuring fairness in all we do
- Treating people with respect and valuing everyone's opinion
- Enabling inclusion in all areas (eg. digital access, translation services)
- Empowering residents to have more control of their homes and environment
- Balancing environmental, social and economic issues
- Being a learning organisation that embraces change.

One Planet Action Plan

We are committed to using a One Planet Action Plan (www.oneplanetliving.net/) to help us live within a fair share of the earth's resources. The One Planet framework focuses on ten areas that cover the environmental, social and economic aspects of living sustainably. We have identified principles and goals for each area that will inform the way we work and deliver services. For example, we will:

- carry out an energy audit of the estate and make our buildings and equipment more energy efficient
- create secure cycle sheds
- use good quality, environmentally friendly materials
- fit water butts across the estate to collect rain water for gardens
- make the most of planting areas for growing food and local plants

- be a London Living Wage employer.

5. Our operating environment

Here are some of the things that could have an impact on the TMO (both good and bad) and what this could mean for us. We have factored these issues into our planning (see sections 7: *Priorities and Objectives* and 9: *Risks*).

Issue	Implication	Because...
Bedroom Tax and Universal Credit	Risk	Unhappy, angry tenants. Increasing number of people in debt and rent arrears. Requires sensitivity and close management - see risks.
Ongoing public sector cuts	Risk/ Opportunity	Council allowance may be cut. However, TMOs likely to continue to be supported by national and local government for delivering value for money.
Climate change and energy price rise	Opportunity	Grants available to support energy efficiency and local renewable energy schemes.
Growth of online facilities	Opportunity	Potential for all residents to be empowered with small investment in estate wifi.

6. Our Delivery Model: services, people and facilities

Our Services

We are working with the Council to finalise the details of the management agreement. However, we are clear about the services the TMO will provide and the functions it will carry out. These are set out in the table below, along with an outline of how each service will be delivered.

Our service will be provided through a combination of directly employed staff and outsourced specialist functions (work that our staff cannot do themselves) - see the Our People diagram below. A range of services will stay with the Council but once the TMO has found its feet, we will look to take over some of them - see below. We will draw up a set of service pledges which outline the expectations residents can have of the TMO and in turn what the TMO will expect of residents.

Service	How it will work
Responsive repairs and maintenance	Directly employed handy person and contractors appointed by the TMO up to the value of £10,000 per job.
Managing and preparing void (empty) properties for re-letting	Directly employed handy person and contractors appointed by the TMO up to the value of £10,000 per job.
Caretaking and cleaning service	Directly employed team of three caretaker-cleaners.
Maintaining the communal grassed areas and shrubs	Out-sourced contractor. We also aspire to appoint a directly employed community gardener from year two who will work with the contractor and volunteers to oversee the estate's community gardening activities.
Managing rent collection, arrears and referring cases in excess of six weeks' rent arrears to the Council for legal action when necessary	Directly employed Housing Officer and Customer Service Officer. Rents will be paid directly into the Council's bank account.
Dealing with tenancy management issues including investigation into complaints of anti-social behaviour, unlawful occupancies, breach of tenancy or lease agreement, residents' disputes, and referring the matter to Southwark Council for further action when appropriate	Directly employed TMO Manager and Housing Officer.
Accompanying prospective applicants under the Council's choice-based letting scheme on viewings of vacant properties	Directly employed TMO Manager and Housing Officer. Initial meeting with the TMO Manager or Housing Officer and possibly Board members for all new tenants regarding tenancy rights and responsibilities, TMO membership and participation opportunities.

Services to be retained by Southwark Council

The Council will retain responsibility for out of hours repairs, the structure of the buildings, major works*, refuse collection, heating system*, pest control*, parking*, garage management*, door entry repairs* and tree maintenance. However we are considering the inclusion of the services highlighted by an asterisk (*) above at a later date as shown in our priorities and objectives (see table below). A detailed list of TMO and Council responsibilities set out under the headings of our Management Agreement with the Council is included in Appendix 1.

Service specifications

Specifications for the following services will be finalised during the set-up stage (January-Summer 2015):

- Grounds maintenance
- Repairs and maintenance (larger jobs unlikely to be carried out by handy person)
- IT support (Council's IT support as we will be using Council's I World system), HR support and Finance support

We will go through the appropriate tender process in accordance with the procedures set out in the Financial Regulations in our Governance Manual. We will ensure all contracts are in place before the go live date.

We will identify the supplies that we will need on an ongoing basis such as office supplies and equipment, protective clothing for staff, tools, small parts, etc, source relevant suppliers and establish accounts with trade discounts where possible. Some of these items will be funded from the start up grant that the Council must provide but the TMO will need to reorder in the future.

Our staff team and contractors will be in place before we go live. We will continue keep residents informed and will endeavour to work with the Council to make the changeover as seamless as possible, minimising disruption to our residents..

Rents and Service Charges

Rents and service charges will continue to be paid into the Council's bank account. The payment options to residents will remain the same and be administered by the Council's IT system so there will be no disruption for residents.

Repairs

Our Handy Person in coordination with the TMO Manager will develop a system for ordering and controlling stock of necessary items such as tools, parts and replacements for the minor repairs service. Staff will record time spent on individual jobs so that they can be priced and the service evaluated accordingly during the year. The Handy Person will also coordinate repairs carried out by contractors.

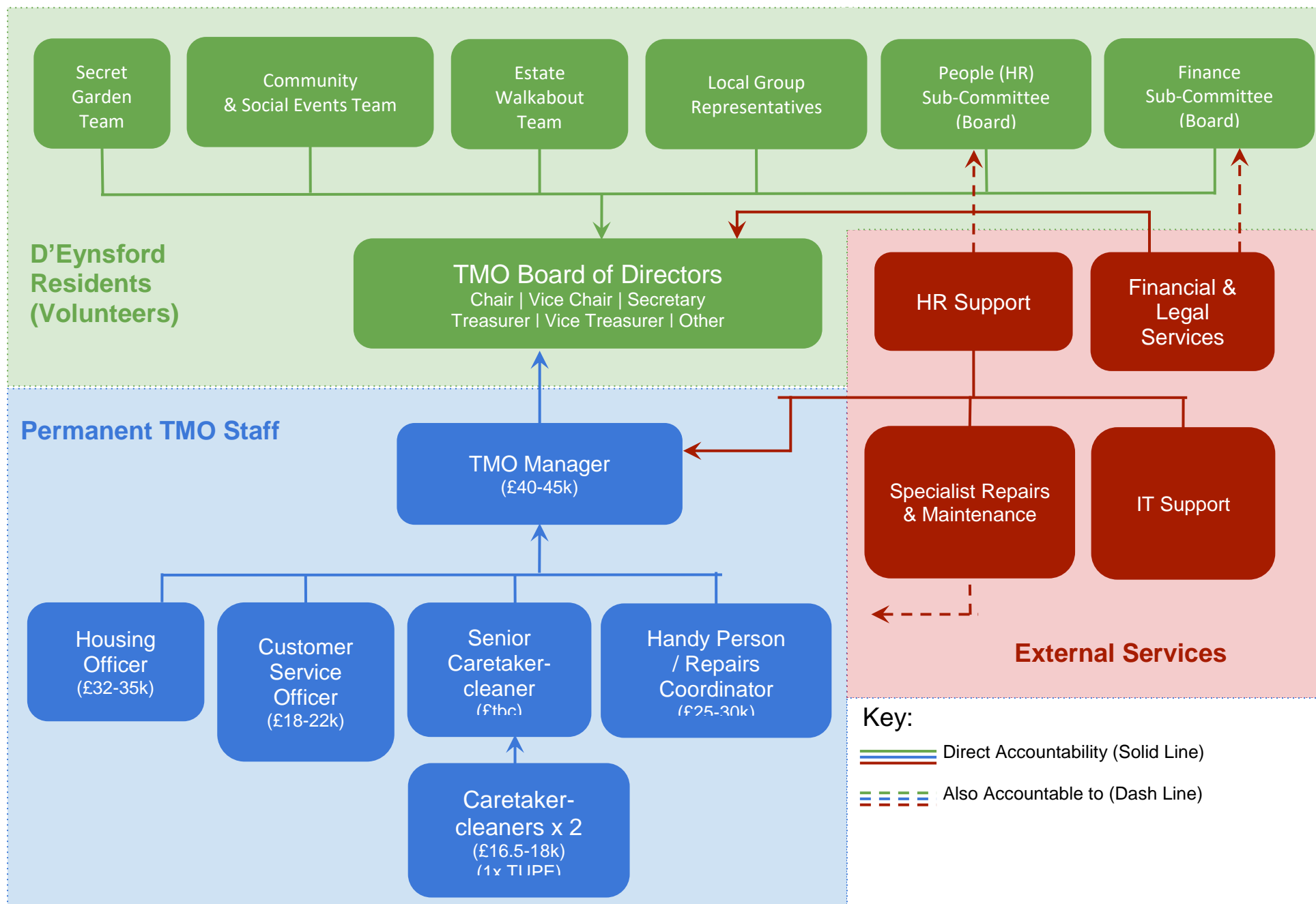
Our People

The table below is an outline of our structure. The colours represent the following:

GREEN - Our Volunteers: The TMO is led by an elected team of residents who make up the Board of Directors. There are also a range of teams, representative roles (eg. police Safer Neighbourhood Panel, Area Forum, Southwark TMO Committee) and activities open to all residents.

BLUE - Our directly employed staff will carry out all our operational functions. We have delegated authority to our staff with financial limitations and a clear reporting structure (see our Governance Manual). Our TMO Manager will head up the staff team, managing the staff on a day-to-day basis, managing contracts, reporting monthly to the Board on performance and also making recommendations regarding decisions which are not within the manager's remit. Our Housing Officer will be responsible for tenancy matters including rent collection and leasehold queries. The Customer Service Officer will be our front-of-house for customers in person and over the telephone. This role will also be responsible for administrative tasks in the office including posting invoices on our system and processing low level rent arrears. Our handy person will carry out day-to-day repairs in tenanted properties and communal areas, as well as coordinating the work of repairs contractors. Our Caretaker-Cleaners maintain our internal and external common areas and ensure that the estate is kept clean and appropriately cared for. This team of three will include a senior post with a supervisory role for the other two caretaker-cleaners.

RED - Any specialist repair or any repair that our handy person cannot carry out will be outsourced to an external contractor. These arrangements will be closely monitored to ensure that we get value for money and that a good level of service is provided. We have sourced HR support through a third party organisation that will provide us with up to date policies and procedures on human resources (HR) and health and safety as well as guiding us through any HR issues that we may incur. Payroll sits in this function as well and will be prepared by our manager, signed off by two Board members and sent to our payroll company. It is a requirement to have our financial accounts audited annually and engagements with auditors will be approved by our members annually.



TUPE⁵ Implications

Southwark Council has indicated that one role may be subject to TUPE; the cleaners (of which one member of the current team of three who are working on the estate is directly employed by the Council and eligible for TUPE). Southwark will transfer the post with the full salary and will guarantee an increased allowance to cover the cost of this staff member, including underwriting the pension contributions and responsibility for administering the pension fund for the post if required.

Our Facilities

Office

The Council is converting half the ground floor of Good Neighbours House into an office and community facilities for our meeting and social activities.

IT System

We will use the Southwark Council's iWorld IT System for Customer Relationship Management. The system will track rent payments, repairs on the estate and tenant complaints. We currently track our income and expenditure in our Google Docs spreadsheet and intend to migrate to Intuit Quickbooks before going live.

⁵ Transfer of Undertakings - Protection of Employment Regulations

7: Our Priorities and objectives

Here are our key objectives for the first three years of operation. The objectives are grouped into five priority areas that every TMO needs to focus on. We will plan our work around these objectives.

Priority areas	Year 1 2015/16	Year 2 2016/17	Year 3 2017/18
Governance (the organisation's rules, procedures and leadership)	<ul style="list-style-type: none"> • Fine tune monitoring and evaluation reporting mechanisms, with end of year review • Achieve NFTMO Governance Kitemark • Publish annual report • Increase membership to 50% 	<ul style="list-style-type: none"> • Plan for Board succession eg advertise training and other benefits; develop mentoring scheme • Publish annual report 	<ul style="list-style-type: none"> • Review constitution ahead of ballot and renewing strategic business plan • Increase membership to 75% • Publish annual report
Organisation and Strategy (developing the organisation and setting the direction)	<ul style="list-style-type: none"> • Induct staff and assess training needs • Embed One Planet Action Plan sustainability policy • Continue to lobby Council on retrofit measures for planned major works (windows and heating) 	<ul style="list-style-type: none"> • Carry out energy audit (if required) • Investigate sustainable energy options • Carry out equalities impact assessment of Year 1 decisions 	<ul style="list-style-type: none"> • Investigate local labour apprenticeship opportunities • Investigate taking over heating service, warden service in sheltered unit, and feasibility of business starter units in empty garages**
Services	<ul style="list-style-type: none"> • Assess quality of Council's stock condition survey of existing buildings • Establish demographic profile of households (including identifying vulnerable residents) • Ensure smooth-running of core 	<ul style="list-style-type: none"> • Employ community gardener* • Scope and schedule internal communal area improvements eg painting walls, new floors, repair of stairs* • Annual resident satisfaction and priority survey of services • Secure internet deal for estate 	<ul style="list-style-type: none"> • Continue internal communal area work* • Annual resident satisfaction and priority survey of services

	services <ul style="list-style-type: none"> • Six month and end of year resident satisfaction and priority survey of services 	(with communal PCs in office)*	
Finances	<ul style="list-style-type: none"> • Generate 5% surplus • Explore further opportunities to increase efficiency savings 	<ul style="list-style-type: none"> • Generate 7.5% surplus • Explore further opportunities to increase efficiency savings • Scope potential income opportunities from offering additional leaseholder services eg internal repairs and property management 	<ul style="list-style-type: none"> • Generate 10% surplus • Explore further opportunities to increase efficiency savings • Explore other funding sources and partnerships with other organisations.
Community Involvement	<ul style="list-style-type: none"> • Develop and deliver community activity programme • Maintain and develop estate website and newsletter (see communications, involvement and consultation policy) 	<ul style="list-style-type: none"> • Increase participation in community garden • Involve young residents through tailored activities programme eg photography project, youth board 	<ul style="list-style-type: none"> • Scope and secure funding to create multi-use sports surface in football pitch

* Additional Services

These plans for additional services are all dependent on the initial capacity of the TMO to successfully deliver the core estate services listed in section 6, and the level of efficiency savings achieved by the TMO. In order to take on these additional services, we understand that we will need to demonstrate competence in the area of the service and have an agreement with the council to do so.

Wifi: We believe the TMO has the potential to play an important role in enabling digital inclusion across our estate community. In our second year of operation the TMO will submit a detailed proposal to the Digital Deal Challenge Fund (DCLG) to create an estate-wide Wireless Internet Network with PCs in the office available during office hours for residents without a computer at home.

Community gardener and grounds maintenance co-ordination: In our first year of operation, we will contract out the grounds maintenance service, and the garden will continue to be run by volunteers. In year two, we aim to create the position of a community gardener, who would not only support community engagement with the Secret Garden, but support gardening across the estate. This post would: oversee the Secret Garden and enable it to be open more often, encourage gardening and the growing of fruit, vegetables and herbs across the estate, help residents in ground floor flats (who tend to be elderly or have mobility problems) to use their gardens, and liaise with the grounds maintenance contractor.

Communal area improvements: The estate survey identified dissatisfaction with the state of the communal corridors and this is an area that we have identified as being a high priority. We would therefore allocate money for the upgrade of these areas within the first two years of operation and prepare a specification for the refurbishment and obtain competitive quotes. This would be the equivalent of the Council's cyclical decorations programme which currently does not exist. If the Council establishes a cyclical decorations budget, the TMO will look to take on this service (which technically falls within the major works category).

Planned major works: The estate has suffered from a lack of investment for many years and was identified in the Southwark Housing Commission report as a High Investment Needs Estate. With significant funding opportunities available for insulation measures we would want to ensure that any proposed works on windows and the district heating system were affordable, in keeping with design features, and of the highest possible specification to minimise future maintenance and running costs. However, the Council would retain responsibility for any work carried out.

**** Other Future Ideas**

Our vision for the estate is bold and ambitious and we have a range of ideas for developing the scope of the TMO after the initial start up. If we are successful in our first two years, in year three we will start to look at other services where we feel the TMO has potential to offer improved or new services that will help to create even more impact for residents - particularly those that provide opportunities to deliver sustainable solutions (balancing social, environmental and economic concerns) in line with our One Planet action plan. We will of course test out these ideas with residents through thorough and appropriate consultation.

Heating service: The district heating system is erratic and wasteful, with some residents reporting severe overheating and others at times feeling cold. It is not uncommon to see windows wide open across the estate mid-winter. The TMO has identified this is a high-risk service to take over but remains dedicated to exploring ways to improve the system, with other sustainable energy works, in partnership with the Council.

Sheltered Unit warden service: Sheltered Unit residents (who have been actively involved in the TMO project from the start) have reported a reducing warden service over recent years. The TMO is interested in exploring whether it could offer a better service. This would of course have to start with an initial dialogue with the Council's specialist housing services and a clear assessment of the care levels required.

Business start-up units: The TMO office will be built at the end of a row of garages in Mary Dachelor Close. At present the road and the garages look unused, unloved and shabby, with many residents complaining of the mess and anti-social behaviour in the area. We will explore the option of converting the garages (one of which is already used by the TRA) into workshops and business starter units for residents and local businesses. This would make the road more akin to a living street rather than a backwater. It will help foster community cohesion and benefit the local economy.

8. Finance

Each year Southwark Council spends a predefined amount of money on the maintenance, repairs and servicing of each home. Instead of the Council managing the repairs from Tooley Street, it will allocate the money to D'Eynsford TMO - equivalent to the amount the council would have spent on estate services - and it will be managed locally.

Our aim is to make a profit (a surplus) by getting better value for money than the council has managed to obtain to date and to provide better services at a lower cost. This will enable us to use any surplus to either carry out improvements on our estate or for the benefit of the community, following full consultation with our members.

The arrangements in place to do this are:

- Robust financial procedures
- Finance sub-committee dedicated to overseeing the financial performance of the TMO
- Anti-fraud policy
- Monthly monitoring and reporting on finance performance
- Monitoring of staff time spent on individual jobs so that they can be costed and services evaluated against planned efficiency savings
- Building a financial reserve over the first three years as a contingency fund
- Look at opportunities to make efficiency saving by collaborating with other TMOs
- Appoint an independent and external auditor to carry out an annual audit of our finances
- Buy in professional finance support to provide us with the capacity we need.

Our key objectives focus on how the TMO will achieve 'value for money', ensure the TMO is efficient and how risk will be managed.

Key Finance Objectives

- Assessing value for money in all services we provide
- Establish efficient and understandable accounting and budgeting systems before going live
- Arrange quarterly independent check/audit of finances
- Effective financial management including budgeting, regular reporting, monitoring and action where necessary
- Annual finance training for sub-committee
- Financial planning for the future including identifying residents' priorities for spend
- Report on progress to AGM
- Aim to create a surplus for future investment in community
- Explore more cost effective ways of providing services – joint procurement etc.

Income

Projected Allowance for D'Eynsford Estate 2014/15 **TO UPDATE**

Tenants	259
	D'Eynsford Estate
<u>Tenant Management</u>	
Management of Repairs	46,045
Tenancy Management	55,751
Rent Collection	35,855
Board and Communication Allowance	8,620
Insurance	7,296
Audit	1,780
Sub-total management	155,347
<u>Tenant Services</u>	
Estate Cleaning	59,491
Grounds Maintenance	12,167
Electricity - Multibilling	0
Pest Control	0
Sub-total services	71,659
<u>Tenant Repairs</u>	
Repairs	112,814
Voids	33,114
Cold Water Tank	0
Door Entry	6,297
Estate Lighting	5,002
Sub-total repairs	157,227
Subtotal: Allowance (tenant services)	384,233

<u>Leaseholder Services</u>	
Estimated leaseholder allowance	
Estate Cleaning	22,576
GM	4,664
Estate Lighting	11,223
Door Entry	325
Repairs	20,465
Total	59,252
TOTAL ALLOWANCE	443,485

The allowance details are enclosed in the spreadsheet presented as evidence. The figures relates to the proportion of actual costs incurred by the Council in providing housing management services on D'Eynsford Estate.

Expenditure Profile for D'Eynsford Estate between 2014/15 to 2016/17 TO UPDATE

YEAR	1	2	3
	2014/15	2015/16	2016/17
Staff Costs Salaries			
TMO Manager	£44,907	£46,353	£47,865
Housing Officer	£32,856	£33,639	£34,494
Handy person	£32,856	£33,639	£34,494
Customer Service Officer	£21,312	£21,969	£22,647
Caretaker-cleaners	£48,150	£48,798	£50,004
Total Staff Salaries	£180,081	£184,398	£189,504
National Insurance Costs			
TMO Manager	£5,164	£5,363	£5,572
Housing Officer	£3,501	£3,609	£3,727
Handy person	£3,501	£3,609	£3,727
Customer Service Officer	£1,908	£1,998	£2,092
Caretaker-cleaners	£5,611	£5,701	£5,867
Total National Insurance Costs	£19,684	£20,280	£20,985

Pension Contributions - 5% Employers contrib.			
TMO Manager	£2,245	£2,318	£2,393
Housing Officer	£0	£0	£0
Handy Personr	£1,643	£1,682	£1,725
Customer Service Officer	£1,066	£1,098	£1,132
Caretaker-cleaners	£2,408	£2,440	£2,500
Total Pensions Costs	£7,361	£7,538	£7,751
Total Staff Costs	£207,127	£212,216	£218,239
Services			
Ground Maintenance and Bulk Collection	£18,491	£19,415	£20,386
Responsive Repairs	£79,967	£83,966	£88,164
Cleaning materials & supervision	£6,053	£6,356	£6,674
Council's I-World System	£0	£0	£0
Human Resources	£1,500	£1,000	£1,000
Pay Roll - Pay Roll Bureau £42/month	504	£529	£556
Financial Services - Boogles - £200/month	£2,400	£2,520	£2,646
Legal and Professional Fees	£2,000	£2,000	£2,000
Audit of Accounts	£4,000	£4,200	£4,410
Technical Services	£5,000	£5,250	£5,513

Total Services	£119,915	£125,236	£131,348
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Office Costs			
Telephone / Broad Band	£600.00	£630	£662
Electric & Heating Costs	£3,000	£3,600	£4,320
Office Supplies - Printer Cartridge etc.	£2,400	£2,520	£2,646
Postage	£2,400	£2,520	£2,646
Cleaner for Office	£1,820	£1,820	£1,820
Replacements of Furniture & Fittings	£0	£0	£400
Total Office Costs	£10,220	£11,090	£12,494
Other Costs			
Estate Lighting	£5,002	£5,253	£5,515
Training - the Board	£4,000	£4,200	£4,410
Board Meeting/ Child Care Expenses	£360	£378	£397
Other Board Expenses	£600	£630	£662
Periodicals, technical and training material	£500	£500	£500
Community activities	£3,000	£3,150	£3,308
Insurance	£2,400	£2,520	£2,646
Equipment & Material	£15,000	£15,750	£16,538
Staff Training 0.5% of income	£2,832	£2,973	£3,122
Contingency Fund at 4.5% of income	£25,485	£25,485	£25,485
Total Other Costs	£59,180	£60,839	£62,582

Total Expenses	£396,441	£409,381	£424,662
Summary of Projected Income and Expenditure for 2014/15 to 2016/17			
Headings	2014 /15	2015/ 16	2016/ 17
Staff	£207,127	£212,216	£218,239
Housing Services	£119,915	£125,236	£131,348
Office Costs	£10,220	£11,090	£12,494
Other costs	£59,180	£60,839	£62,582
Total Expenditure	£396,441	£409,381	£424,662

Sensitivity Analysis **TO UPDATE**

INCOME EXPENDITURE PROFILE	Income remains constant whilst costs increase by 5% per annum		
Income Projections 2014/15 to 2016/17	£443,485	£443,485	£443,485
Total Expenditure	£396,441	£409,381	£424,662
Projected Surplus	£47,044	£34,104	£18,823
Cumulative Surplus	£47,044	£81,148	£99,970
Designated Reserves @ 70% of cumulative surplus	£32,931	£56,803	£69,979
INCOME EXPENDITURE PROFILE	Income increase by 5% as do costs		
Income Projections 2014/15 to 2016/17	£443,485	£465,660	£488,943
Total Expenditure	£396,441	£409,381	£424,662
Projected Surplus	£47,044	£56,278	£64,280
Cumulative Surplus	£47,044	£103,323	£167,603
Designated Reserves @ 70% of cumulative surplus	£32,931	£72,326	£117,322

The financial projections shows a business that is financially stable, generating a projected surplus of £47,044 in the first year of operation. The business, based on the projected expenditure can withstand a cut in allowance of about 10%. The level of Surplus is projected to drop year on year in anticipation of a 5% increase in cost without a corresponding increase in income. We anticipate an accumulated surplus position of £99,970 in year three, providing a designated reserve of £69,976 being 70% of the total accumulated reserve. These figures are modest and are likely to rise appreciably as described in the table above if allowances are increased in line with projected inflation of 5%.

Notes on the budget

Staff Costs Salaries	
TMO Manager	TMO Manager is graded at a salary scale Hay 14. £44,907- £56,232. Annual Increment equals to one spinal point increase
Housing Officer	Housing Officers post is affected by TUPE. Staff is graded at Hay 9 £29,868 - 35,406: Midpoint =£32,856 is used in the projections, with one spinal point increase per annum based on performance
Caretaker/Handyman	Caretaker/Handyperson is a manager; graded at Hay 9 at £29,868 - 35,406: Midpoint =£32,856 was used in the projections with one spinal point increase per annum based on performance
Front Desk Coordinator	Front desk Co-ordinator at graded at salary scale Hay 6: £21969 -£25,770. projections assumes one spinal point increase per annum based on performance
Cleaners	TUPE will apply. There are two permanent estate Cleaners graded at Hay 2.6 : £16,050 and one Agency staff. For the purpose of the projections all the cleaners will be on the same grade at Hay 2.6 All three cleaners will receive an Increment of one spinal point per annum based of performance.
National Insurance Costs	
TMO Manager	Employer contribution at 13.8% of earnings above £144/wk. This is applied across all permanent staff
Pension Contributions	
Average Employers Contribution to the LA pension fund is 5% of earnings per year. This will be applied across all staff so as to treat staff fairly. The pension contribution for the Housing Officer will be underwritten by the Council. The allowance allocated takes this into consideration.	
Services	

Ground Maintenance and Bulk Collection	Quote from Southwark's Cleaning and Ground Maintenance Services indicates the number of man hours spent on Deyensford is equivalent to half of a full time ground operative per annum. Ground operatives are at Hay 2.6. Costs for bulk collection and tipping bulk items was quoted at £3185.52 and £7,280 per annum respectively . Grounds maintenance will be sub contracted to Southwark Council and therefore these costs were built into the projection. Cost are expected to appreciated for 5% per annum on grounds of inflation
Responsive Repairs	Total repairs costs for tenants for responsive and communal repairs totaled £133,279 per annum. We will be using a handyperson/caretaker to assist with the repairs. Our forecasts is based on the assumption that our handyman will save us about 40% savings. This assumption is based on discussion with Southwark Council and Browning TMO which uses this model. Browning made a savings of 50.8% by using the handy man. This forecasts assumes a conservative 40% savings in the overall budget.
Cleaning materials & supervision	The cost for cleaning material and supervision of work was Based on quote from Southwark Cleaning and Ground maintenance contractor. Although our manager will be supervising at no further costs , We have added the supervision costs as safety net to offset costs relating to weed spraying and graffiti removal.
Council's I-World System	£600 per user per year. Allowance already corrected to exclude IT costs
Human Resources	Provisional sum - not expected to be spent. Projections assumes 50% more need for HR services in the final years
Pay Roll - Pay Roll Bureau £42/month	Used by many TMOs in Southwark for preparing payroll for staff.
Financial Services - Boogles - £200/month	£200 per month for book keeping and financial advice
Legal and Professional Fees	Provisional sum - not expected to be spent. This cost does not appreciate with inflation
Audit of Accounts	5% annual increase in Audit fees
Technical Services	The caretaker and the handyperson will be capable of doing electrical and plumbing in voids so no need for direct employment. TMO is looking at using Council Officers as and when required. Also assumes 5% uplift in costs
Office Costs	
Telephone / Broad Band	BT Total Broadband and telephone lines at £50/month assumes many calls to mobile
Electric & Heating Costs	Provisional sum of £3000 per annum .Assume 20% increase in bill year on year to account for the volatility of the market

Office Supplies - Printer Cartridge etc.	£200 per month for stationery
Postage	£20/month
Cleaner for Office	5 hours per week at £7 per hour
Replacements of Furniture & Fittings	Not much replacement required in first three years. Computers replacement in year four.

Other Costs	
Estate Lighting	The actual costs per the allowance. there is a 5% annual uplift. This refers to the R&M of estate lights
Training - the Board	To be Covered from Board Allowance and based on average training done by operational TMOs in Southwark
Board Meeting/ Child Care Expenses	£10/hour for 3hrs per meeting for 12meetings per year
Other Board Expenses	£50 per month
Periodicals, technical and training material	Provisional sum for books etc.
Community activities	5% increase per annum
Insurance	Based on premium paid by TMO:Willowbrook and Fair Housing Services.
Equipment & Material	Provisional Sums to serve as a contingency
Staff Training 0.5% of income	0.5% of income- Provisional sum
Contingency Fund at 4.5% of income	4.5% of income -Provisional sum for sundry expenses.
Total Other Costs	Assumes 5% annual uplift

Efficiency Savings

Our projection show that we are able surplus year on year. We expect efficiencies to be achieved through effective management and monitoring of our repairs service, transferring unspent reserve to surplus, achieving VFM in our contract management and robust budgeting leading to improvements in our projected spend. Our forecast has an inbuilt contingency provision of 4.5% of income which may

have the effect of improving our surplus fund. With further training of our handyperson we aim to improve our saving on our repairs budget, to the levels close to those experienced by Browning TMO .

9: Risk Assessment

The Board and TMO Manager will keep a regular watch on these risks so that we can make sure our plans for dealing with them remain relevant and are put into action in good time to avoid problems getting out of hand.

	Identified Risk	Risk	Control/Management	Stage
	BEFORE GOING LIVE			
1	Failure to achieve majority vote required in Final Ballot	MEDIUM	Agree ballot strategy to include door knocking, newsletter and poster campaign, website with email communication and quick responses, supported by drop-in surgeries and open meetings. Ensure tenant and leaseholder lists up to date. Actively address misinformation with factual information.	Pre ballot
2	TMO not ready with all systems and procedures	MEDIUM	Make sure schedule and systems are in place in good time to ensure smooth hand over.	Implementation
3	Emergence of a 'No campaign'	Low	Prepare answers to all known concerns, including those from other TMOs who have suffered a No TMO campaign. Ensure communications strategy is up to date and provides a way to reach residents quickly - fast set up of pop up stalls, door knocks, etc.	Pre ballot
	GOVERNANCE			

4	Lack of contribution from committee members	MEDIUM	Share tasks. Ensure compliance with governance manual. Ensure that members aware of Code of Governance and responsibilities.	All stages
5	Lack of involvement/interest from residents in running the TMO	MEDIUM	Be innovative in how to get people involved and the notifications of meetings.	All stages
6	Meetings continually inquorate	MEDIUM	Ensure proper notification of open meetings to all residents. Make meetings interesting/topical. Use website to gather ideas, issues. Review constitution to make it workable. Ensure regular communication with residents.	All Stages
	COMMUNITY AND INVOLVEMENT			
7	Lack of involvement due to poor communication	LOW	An effective communication strategy will provide clear communication and creative ways of communication. Revisit recommendations in communication strategy	All stages
	SERVICES			
8	Failure to meet rent collection and arrears performance standards (Bedroom Tax and Universal Credit)	MEDIUM	Ensure effective payment methods and IT system with support is in place. All arrears action to be taken promptly – regular reports to Board. Advise estate residents of actions taken. Get legal system in place. Hold regular welfare advice drop in sessions. Dedicated staff time to deal with arrears. Bring in extra support if necessary.	Operational TMO

9	Failure to meet key performance targets	MEDIUM	Better monitoring and management of the procedures. Regular performance reports to Board and revisit the line management structure. Ensure procedures are clear and workable and appropriate action taken and recorded.	Operational TMO
10	Welfare Reform	HIGH	Residents in receipt of Housing benefits will be responsible of paying the rent due to the landlord. This poses a great risk since it is unknown whether residents will pay their rent or not. The income was previously guranteed. The movement on this in the coming months may result in the TMO changing its option to collect rent.	Board
	FINANCES			
11	Lack of money due to inadequate control from board and treasurer and external stakeholders (the council)	LOW	Properly qualified TMO Manager and Finance Officer. Have proper checks and balances in place. Monitor expenditure.	
	ORGANISATION AND STRATEGY			
12	Directly employ staff	HIGH	Ensure that proper contracts and staff handbook is in place and that staff are managed in accordance with these documents. Value and reward staff team. Ensure that the infrastructure of dealing with staff issues is in place. Identify concerns and raise at Board. Arrange informal opportunities for staff/Board interaction. Ensure Employment/Recruitment sub fully trained and up to speed.	Operational TMO

13	Changes in legislation/ Government policy towards TMOs	LOW	Ensure Board is aware of potential changes, regular briefings on changes on the cards, work with other TMOs and the NFTMO to lobby Government where necessary.	All stages
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Appendix 1: List of TMO and Council Responsibilities **TO UPDATE**

Chapter 1 MA (General Provisions)	TMO?	LBS?	Comments	Board/LBS/Staff/Contractor
Insurance responsibilities	TMO	LBS		Staff/LBS
5 year ballot	TMO			Board/Staff/LBS
Vote at AGM	TMO			Board/Staff/LBS
Chapter 2 MA (Repairs and Maintenance)				
Communal repairs	TMO		up to value £10k	Staff
Plumbing	TMO		up to value £10k	Staff/Contractor
Carpentry	TMO		up to value £10k	Staff/Contractor
Electrics	TMO		up to value £10k	Contractor
Metalworks	TMO		up to value £10k	Staff/Contractor
Internal decs - senior citizens			Clarify council practice	
Roofing		LBS		LBS
Paving	TMO		up to value £10k	Contractor
Walls, fences and gates	TMO		up to value £10k	Staff/Contractor
Drainage -surface	TMO		up to value £10k	Contractor
Drainage underground		LBS		LBS

Heating repairs in property		LBS		LBS
Water supply in property	TMO			Staff/Contractor
Water - mains to stopcock		LBS		LBS
Lifts		LBS		LBS
Estate lighting	TMO			Contractor
Door Entry	TMO			Contractor
TV Aerials		LBS		LBS
Ventilation/extractor fans		LBS		LBS
Pest Control		LBS		Contractor
Asbestos identification	TMO	LBS		Staff/Contractor/LBS
Asbestos removal		LBS		LBS
Communal water tanks testing		LBS		LBS
Communal water tanks /tank room repairs		LBS		LBS
Lightning conductors		LBS		LBS
Emergency lighting, fire alarms		LBS		LBS
Garages R & M		LBS		LBS
Bulky items removal	TMO	LBS		Contractor
Decent Homes/ Warm Dry Safe works	TMO	LBS		Contractor/LBS

Major works inc structural works	TMO	LBS		Contractor/LBS
Out of hours	TMO		SLA to be agreed with Southwark	LBS/Staff
Grass Cut	TMO			Staff/Contractor
Litter Pick	TMO			Staff/Contractor
Flower Beds	TMO			Staff/Contractor
Trees		LBS		LBS
Estate Cleaning	TMO			Staff/Contractor
Window Cleaning	TMO			Staff/Contractor
Chapter 3 (Rent)				
Collection into LBS bank account	TMO			Staff
Arrears control to handback	TMO	LBS	TMO hand back serious arrears to Council	Staff
Arrears control post handback		LBS		LBS
Legal/Possession		LBS		LBS
Former Tenant Arrears Collect		LBS		LBS
Notify Rent		LBS		LBS
Tenant Service Charge		LBS		LBS
Ch 4 (Leasehold Service Charges (S/C))				
Provide information for estimated S/C	TMO			Staff

Provide information for the Billing of S/C	TMO			Staff
S/C collect		LBS		LBS/Staff
S/C arrears		LBS		LBS/Staff
Section 20s		LBS		LBS/Staff
Chapter 5 (Finance)				
Receives allowances	TMO			Board/Staff/LBS
Bank account/s	TMO			Board/Staff
Reserve fund	TMO			Board/Staff
Financial reports	TMO			Staff
Audit	TMO			Staff/Contractor
Chapter 6 (Tenancy Management)				
Lettings	TMO	LBS	Choice based letting	Staff
Mutual Exchange	TMO			LBS
Succession	TMO			LBS
Transfers	TMO			Staff
Monitors intro tenancies	TMO			Staff
Disputes	TMO			Staff
Anti Social Behaviour	TMO	LBS	TMO deals with ASB - Council serves notice	Staff

Voids	TMO			Staff
Breaches of tenancy	TMO	LBS	Council serves notice at TMO's request	Staff
Unauthorised Occs		LBS	Council takes legal action	Staff
Right to Buy	TMO	LBS	TMO provides info	Staff
Right to Buy enqs before exch of contracts		LBS		LBS
Giving consents	TMO	LBS	Joint responsibility	Staff
Tenancy checks	TMO			Staff
Ch 7 (Staffing and relationship with LBS)				
Employment of staff	TMO			Board/Staff
Employment of contractors	TMO			Board/Staff
Statutory consultation		LBS		LBS
Chapter 8 (Performance Monitoring)				
Regular monitoring and development meetings	TMO	LBS	Joint responsibility	Board/Staff
Annual performance report	TMO			Staff
Annual review meeting	TMO	LBS	Joint responsibility	Board/Staff
Equal opps monitoring	TMO	LBS	Joint responsibility	Board/Staff
Five year and special reviews		LBS		LBS

Appendix 2: Jargon Buster

Some readers may be new to some of the wording used in this document. Here is an explanation of some of these terms and abbreviations.

Term	Meaning
AGM	Annual General Meeting held each year to present the organisation's annual report, accounts and elect our new Board for the next year.
Decent Homes	A standard set by the Government requiring all social housing to be wind and weather tight, to meet minimum standards for housing set down in law, have reasonably modern kitchens and bathrooms (for tenants) and be in a good state of repair.
FSA	Financial Services Authority
KPIs	Key Performance Indicators – signs that show how well the TMO is doing, which we will check and assess to measure our progress.
Lead Advisor	An advisor who works with groups wanting to become TMOs through the development process and helps the TMO to negotiate its management agreement with the Council.
Major Works	Big repairs and improvements eg windows, roofing, kitchen and bathroom refits
Modular Management Agreement	A binding legal agreement between the TMO and the landlord organisation (Southwark Council).
Sustainable development or Sustainability	Balancing environmental, social and economic issues within the planet's limits. D'Eynsford TMO is using a One Planet Action Plan to do this.

Tenant Management Organisation (TMO)	An organisation set up by local residents to run an estate's housing services on a not-for-profit basis. D'Eynsford TMO also exists to build community spirit.
TUPE	Transfer of Undertakings - Protection of Employment Regulations



VFM or Value For Money	A term used by government to describe a service which has an appropriate balance between cost, quality and satisfaction.
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Document Control

Version	Approved by	Date	Key Changes
Draft 1	TMO Board	24/09/13	n/a
Draft 2	TMO Board	Nov 13	Financial info from the Council
Draft 3			