



i4B Holdings Limited

2022/23 Business Plan

i4B Holdings Ltd 2022-23 Business Plan

1. Introduction

- 1.1. i4B Holdings Ltd (i4B; the Company) was established to reduce homelessness, provide affordable, good quality homes, and invest to deliver regeneration and financial benefits for its sole shareholder, Brent Council (the Council).
- 1.2. The following document is i4B's 2022-23 Business Plan. The Business Plan outlines how the Company will grow and diversify its products and increase its contribution to the Council's ambition of creating a borough with "a future built for everyone, an economy fit for all".
- 1.3. The Business Plan takes the following format:
 - 2.0 Purpose of the Company
 - 3.0 Performance against Overall Purpose
 - 4.0 Progress against the Company's 2021-22 Business Plan
 - 5.0 Context for 2022-23 Business Plan
 - 6.0 Strategic Priorities for 2022-23
 - 7.0 Appendices
 - A1 Closed Financial Appendix – Financial Implications of Proposals
 - A1a 30 Year Profit and Loss Account
 - A1b 30 Year Balance Sheet
 - A2 Risk Register
 - A3 Progress on 2021-2022 Key Tasks
 - A4 2022-23 Key Tasks
 - A5 Key Performance Indicators

2. Purpose of the Company

- 2.1. Between 2010 and 2015, homelessness doubled in Brent. This growth in homelessness was driven by the loss of private rented sector (PRS) tenancies due to affordability issues.
- 2.2. As a response to this challenge, on 14 March 2016, Brent Council's Cabinet approved the Council's Temporary Accommodation (TA) Reform Plan. The plan proposed that the Council set up a private company to acquire a large portfolio of affordable PRS accommodation for letting to homeless households.
- 2.3. In November 2016, Cabinet agreed to establish its wholly owned investment company, i4B Holdings Ltd. The Company was set up with the purpose of acquiring, letting, and managing a portfolio of affordable, good quality PRS properties. Properties would be let to homeless families at Local Housing Allowance (LHA) levels. This would enable the Council to either prevent or discharge its homelessness duty and therefore reduce TA costs.
- 2.4. The Company was allocated an initial PRS phase one loan of £109m to purchase 300 units of private rented sector accommodation by September 2019. The 2018-19 business plan increased this target to 600 units and allocated additional PRS phase two funding of £110.5m. The Company's core business plan anticipates a financial breakeven position over 30 years.
- 2.5. The Company is set up with the following requirements:
 - The Company has discretion over the individual properties it acquires provided that:
 - They are in a suitable location for the Council to comply with its duty under the Homelessness Suitability of Accommodation Order of 2011;
 - They are within the affordability criteria set out in the Company investment plan and Capital financing agreement with the Council; and
 - The rental income will be broadly equivalent to the relevant Local Housing Allowance.
 - The Board of i4B has limited discretion to let properties at discounted market rents, higher than LHA rates, where this is affordable for the tenant household and provides additional funding stability for the Company. The total mix of properties that may be let at greater than LHA rates is 25% of the portfolio, which may be flexed by prior agreement with the shareholder.

3. Performance against Overall Purpose

- 3.1. Since 2016, i4B has performed well against its purpose. i4B has purchased PRS accommodation and let it to families in TA. i4B has also brought financial savings to the Council.
- 3.2. As of December 2021, i4B has purchased 354 private sector homes and switched the tenure to an affordable PRS product. All properties have been refurbished to a high standard. Table One provides a breakdown of i4B's portfolio and pipeline as of December 2021.

Table One – i4B portfolio as of December 2021

	1b	2b	3b	4b+	All
Purchased properties	45	142	119	48	354

- 3.3. i4B has housed 364 families and 871 children. The majority of these families were previously housed in stage one TA. The number of families housed is higher than i4B's PRS portfolio due to certain properties being re-let.

Table Two – Breakdown of families accommodated by i4B as of December 2021

Previous Accommodation	no. of families	no. of children
Direct to i4B	85	188
Women's Refuge	2	15
TA Stage one – B&B	241	559
TA Stage two – Leased	36	109
Total	364	871

- 3.4. i4B also owns a 153-unit block which is let to public sector key workers. The first tenants moved in in March 2021 and 128 of the 153 units are currently let.
- 3.5. The Council receives financial benefits from i4B, mainly through reducing the use of TA. i4B brings a gross annual benefit of £1.784 million to the Council. This saving will increase as purchases increase.
- 3.6. The Council has also received the following one-off financial benefits:
- PRS phase one loan: loan arrangement fee of £872k and non-utilisation charge of £330k
 - PRS phase two loan: loan arrangement fee of £884k and non-utilisation charge of £408k

4. Progress against the Company's 2021-22 Business Plan

4.1. As outlined in the 2021-22 i4B Business Plan, the medium- to long-term objectives of Brent's Housing Companies are:

- Increasing the supply of affordable housing in the borough;
- Running a viable business;
- Delivering safe and sustainable homes; and
- Providing a consistently good housing service.

4.2. This section outlines performance in 2021-22 against each of the Company's strategic objectives.

4.3. Summary of performance

4.3.1. During 2021-22 i4B's street property purchase programme has continued, and the Company is forecast to purchase between 45 and 50 properties in the financial year, against its target of 60; this is due to a reduction during the year of properties on the market i4B is able to purchase. However, i4B continues to purchase higher yielding properties, and the average net yield of the portfolio has increased during 2021-22 to 1.30%. The volume of property acquisitions must be balanced against the Company's need to remain financially viable; therefore all purchases are subject to meeting specific financial criteria, which include service charges, works costs and lease costs as well as property price. This is a steady and established supply stream for the Company, and is expected to remain so in the future.

4.3.2. In addition, i4B took ownership of its 153-unit key worker block in Wembley Park, the Lexington Building, in February 2021. As of January 2022, 128 of the units have been let to public sector key workers. The pace of lets has been faster than business plan assumptions.

4.3.3. During 2021-22, work has been carried out to produce a Development Strategy for both of the Council's housing companies. The strategy is presented alongside the 2022-23 business plan. The strategy outlines how i4B plans to grow a new build development portfolio in a way which best supports housing need and the viability of the Company. The strategy outlines criteria that future i4B development schemes must meet, as well as actions the Company will carry out to ensure these are feasible, viable, and realistic. A focus for the Company in 2022-23 will be determining whether i4B's current resourcing and financing arrangements allow it to deliver accommodation that best meet the Council's housing need.

4.3.4. Table Three below provides a summary of operational performance at December 2021:

Indicator	Target	Performance at December 2020	Performance at December 2021
Number of units	378 by April 2022	302	PRS: 354 Key Worker: 153

Average cost per property	£363,000	£363,484	£366,778
Net yield of whole portfolio	1.22%	1.25%	1.30%
Net yield of year to date purchases	1.22%	1.88%	1.58%
Instruction to Legal to Purchase	120 days	132 days	132 days
Minor void re-let times	35 days	93 days <i>NB: In Dec 20 void times were not split into major/minor therefore, there is only an overall figure</i>	19 days
Major void re-let times	72 days	93 days <i>NB: In Dec 20 void times were not split into major/minor therefore, there is only an overall figure</i>	151 days
Rent collection	98.50%	93.50%	88.5%
Landlord Gas safety Record	100%	BHM – 95% Mears – 97%	BHM – 99.57% Mears – 92.42%

4.3.5. The two main operational issues are void times and rent collection. Minor void re-let times are within target, however major void re-let times remain out of target. A voids improvement action plan is in place; progress will be closely monitored and reported to the Company Board during 2022-23. Officers are investigating the reasons for the drop in rent collection rates and drivers of arrears, and in 2022-23 will review current rent collection processes to identify improvements.

4.3.6. Developing a Company asset management strategy and a robust set of compliance policies and metrics will also be a focus for i4B during 2022-23.

4.3.7. The following paragraphs provide a more detailed update on progress against the sub objectives for each Housing Company objective in the 2021-22 Business Plan.

4.4. Performance against strategic objectives

4.5. *Increasing the supply of affordable housing in the borough*

4.5.1. The 2021-2022 Business Plan outlined that i4B's primary aim is to improve the Council's affordable housing offer through the acquisition and letting of properties in Brent and neighbouring boroughs. The Company has maintained its street property purchase programme throughout 2021-22, and is on track to purchase circa 45-50

across the year against a target of 60. Purchasing rates have been slower than target due to a lack of properties meeting i4B's viability criteria, as a result of a surge in market demand and an ensuing rise in house prices.

- 4.5.2. The volume of property acquisitions must be balanced against the Company's need to remain financially viable; therefore all purchases are subject to meeting specific financial criteria, which include service charges, works costs and lease costs as well as property price. New financial viability criteria and a new appraisal model were developed and implemented during 2021-22, which increased the amount that i4B can spend on a property while continuing to ensure viability. Throughout 2021-22, i4B continued to purchase higher yielding properties.
- 4.5.3. A Development Strategy has been produced for both of the Council's housing companies. The aim of the Strategy is to support i4B's priority of utilising remaining and potential future funding to develop a portfolio of affordable new build accommodation which:
 - Supports the Council's Housing Strategy and relieves housing need;
 - Supports the financial viability of the Company; and
 - Is feasible and realistic.
- 4.5.4. Throughout 2021-22, work has been carried out to review future housing demand in the borough, review market supply and affordability of PRS street properties to i4B, implement a new acquisitions appraisal model, and to analyse arrears and tenant affordability. This work has allowed i4B to produce a list of criteria that i4B new build developments must meet.
- 4.5.5. The strategy outlines actions the Company will carry out in 2022-23 to ensure criteria are realistic, feasible, and viable. Work will also allow a degree of prioritisation to take place on criteria. This work will give i4B a better understanding of the properties it can acquire/develop that are financially viable and technically feasible. This will enable discussions with the Council on whether i4B's current resourcing and financing arrangements allow it to deliver accommodation that best meet the Council's housing need.
- 4.5.6. In addition as of February 2021, i4B took ownership of a block of 153 units to be used for key worker accommodation and let at 65% of market rent. As of January 2022, 128 tenants have moved into the Lexington Building, exceeding the expectation of the 2021-2022 business plan.

4.6. *Running a viable business*

- 4.6.1. The i4B Business Plan monitors and assures the ongoing financial viability of the Company. The current key operational issues for i4B are high void times and levels of arrears. In the 2021-22 Business Plan i4B aimed to improve void times and thereby reduce void rent loss. While issues with high void times remain, a new interim voids and lettings manager has been appointed and the voids process has been reviewed. As a result, an improvement action plan is in place, and performance will be reported to the Company Board and closely monitored over the coming financial year.

4.6.2. Regarding arrears, rent collection rates dropped following the Covid-19 pandemic and as a result arrears remain high. Rent collection rates remain below target, likely due to a combination of the increased number of tenants on Universal Credit, the potential unaffordability of rents for some i4B properties, and the ongoing impact of Covid-19 including the closure of the courts. Affected residents are being supported to access assistance via the Brent Resident Support Fund and Homelessness Prevention Grant. An arrears and affordability analysis was carried out for the Company's development stakeholder session, and the Board has agreed to monitor arrears as a priority for the coming financial year.

4.6.3. During 2021-22, First Wave Housing, the Council's other housing company, carried out a benchmarking exercise on its operational and financial performance. This provided useful insights for i4B, including repairs times being strong and costs being generally in line with sectoral averages. However, i4B has a low capital spend currently. During 2022-23, therefore, an asset management strategy and value for money strategy will be developed.

4.7. *Delivering safe and sustainable homes*

4.7.1. During 2021-22, i4B set out to review its compliance arrangements with the Head of Housing Property Services. While existing policies have been reviewed, further work is required to put in place an effective set of policies and performance metrics. This will therefore be carried over into the 2022-23 Business Plan.

4.8. *Providing a consistently good housing service*

4.8.1. i4B aims to ensure tenant satisfaction and therefore monitors this regularly through monthly reports to the Board and biennial STAR surveys. The next STAR survey is due in 2022.

4.8.2. A customer satisfaction improvement plan has been implemented for i4B. Some of the key actions from the customer satisfaction improvement plan are:

- Brent Housing Management restructure and monthly service improvement board meetings
- Communication plan and appointment of a dedicated housing officer for i4B
- Introduction of compliance reporting and improved performance reporting
- Improved grip on voids management process and inspection of external communal areas

5. Context for 2022-23 Business Plan

5.1. This section outlines the various contextual factors that have influenced the i4B Business Plan and how they influence i4B. These include, but are not limited to:

- The state of the housing market;
- The impact of Covid-19;
- Current demand and housing need within Brent; and
- The key risks the Company currently faces.

5.2. These factors have influenced the proposals outlined in Section 6.

5.3. *The housing market*

5.3.1. During this financial year, property prices have risen and remain high, and this has led to a lack of properties on the market that meet i4B's financial criteria. In addition, demand in the borough is high, which also impacts the number of properties i4B can consider.

5.3.2. It is therefore expected that purchasing will continue to be difficult in 2022-23, and accordingly i4B has lowered the number of properties it expects to buy in the coming financial year from 60 to 48.

5.3.3. Development in Brent is concentrated in the north of the borough, where land and property prices and rent levels are generally lower than in the south of the borough; this will impact the location of any future i4B development.

5.4. *Economic context*

5.4.1. In last year's business plan, it was anticipated that Covid-19 might reduce demand for housing within London with more people working from home and choosing to live outside of London. This has not occurred in the last year, and supply is currently limited with a corresponding rise in prices. It is too early to establish what the longer term impact on the London economy and property market of Covid 19, Brexit and changing working patterns will be. This is a key area of the business plan to monitor going forward.

5.4.2. Inflation in the UK is at its highest for 20 years and this is a pattern being experienced more widely in the global economy. The key question is whether this is a short term phenomenon, or whether higher inflation is here to stay. The risk to this assumption is if rent levels are frozen, for example by capping off local housing allowance (LHA) increases, whilst cost inflation rises. Again, this will be monitored closely.

5.4.3. Rent collection rates dropped following the Covid-19 pandemic, and with the end of the eviction ban on 31 May 2021, there are now severe court backlogs. This has had an ongoing impact on arrears for i4B.

5.5. *Demand and housing need within Brent*

5.5.1. Since 2016, i4B has been housing Council homelessness nominees. Demand from the Housing Needs Service has been primarily for two- and three-bedroom properties in Brent. However, demand from Housing Needs is changing and there is now a greater need to accommodate families who require adapted properties due to mobility issues or disabilities. As of November 2021, there are circa 50 households living in unsuitable accommodation who require access to accommodation that has been adapted. There is also an ongoing demand due to new applications from families who are threatened with homelessness. The bespoke nature of i4B properties is one of the main benefits of the Company; therefore, i4B will carry out a pilot scheme in 2022-23 to purchase properties suitable to be used as adapted accommodation.

5.6. *Net Zero and Climate Change Works*

5.6.1. Brent Council declared a climate and ecological emergency in 2019 and committed to do all reasonable in its gift to aim for carbon neutrality for 2030, and to work with government to achieve the national 2050 target. The target for Brent's housing in its Climate & Ecological Emergency Strategy (2021-2030) is to achieve an average EPC rating of B by 2030, in line with the London Councils target. Brent Council's housing companies' environmental sustainability targets are aligned with the Council's own environmental sustainability targets.

5.7. *Risk context*

5.7.1. The Company currently faces a number of risks. Key risks include:

- High Capital Programme costs, including future climate change obligations, undermine the viability of the business plan.
- Tenant non-payment of rent increases due to unaffordability of rent.
- Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in i4B being non-compliant with its statutory obligations.
- Poor contractor performance and information control results in i4B properties being non-compliant with statutory Health and Safety objectives.
- High void rent loss due to long void turnaround times.
- Company cash flow (capital and revenue) is insufficient to manage expenditure.

5.7.2. Mitigating measures are in place to help to minimise the impact of all risks. A copy of the full Company risk register has been included in Appendix 2.

6. Strategic Priorities for 2022-23

6.1. This section outlines the Company's strategic priorities for 2022-23. Priorities for 2022-23 are set out within the framework of the medium- to long-term objectives of Brent's Housing Companies. These objectives are:

- Increasing the supply of affordable housing in the borough;
- Running a viable business;
- Delivering safe and sustainable homes; and
- Providing a consistently good housing service.

6.2. Increasing the supply of affordable housing in the borough

6.2.1. i4B's primary aim is to improve the Council's affordable housing offer through the acquisition and letting of properties in Brent and neighbouring boroughs using its agreed loan facilities of up to £110.5m. For 2022-23 this will include the continuation of the Company's street property purchase programme and work related to the Development Strategy that will determine the future direction and financing arrangements of the Company. The strategic priorities are as follows:

6.2.2. Priority 1: Purchase 48 street properties in 2022-23

6.2.3. The Company has an ongoing programme of acquiring single street properties; this programme continues to meet demand from homeless nominees and will therefore continue into 2022-23. Despite the new financial viability criteria introduced in 2021-22, acquisition rates have slowed recently due to an increase in housing demand and property prices. As a result, the purchasing target for 2022-23 has been reduced from five to four per month.

6.2.4. Priority 2: Take on 25 properties from First Wave Housing as part of the transfer of Granville New Homes

6.2.5. It was identified that blocks owned by First Wave Housing in South Kilburn require remediation works to address fire safety and water penetration issues. As part of the solution to make these works affordable and enable them to be carried out as effectively and quickly as possible, it was agreed by the First Wave Housing Board, Brent Council's Cabinet and the i4B Board that the 25 intermediate rented properties at the blocks would be transferred to i4B.

6.2.6. The transfer will take place on 1 April 2022, on which date these properties will be incorporated into the i4B portfolio. A project group and plan has been set up to ensure the smooth handover of the properties, and the managing agent for the properties, Brent Housing Management, will remain the same.

6.2.7. Priority 3: Review new build market opportunities in the borough

6.2.8. As part of its Development Strategy, i4B has developed a strong understanding of housing need, the supply of PRS street properties, and the Company's financial viability. It is unknown how competitive i4B's price caps will be in the new build market. During the financial year, i4B will review the availability and feasibility of market opportunities in Brent to see if they are viable for i4B. This will include a

review of direct development purchases in the borough, and a pilot to model the affordability of a land-led new-build scheme, which would potentially include adapted properties. This review work will be followed by an analysis of the financing required for the Company to deliver an affordable new-build programme that best meets the Council's housing need.

6.2.9. Priority 4: Review feasibility of setting up a new purchasing stream for adapted accommodation

6.2.10. In addition to other development work outlined above, the Council is seeing greater demand from homeless nominees with specific needs for adapted units. Therefore, i4B will work in 2022-23 to pilot a scheme for purchasing street properties with adaptations in order to review the feasibility, affordability and financial requirements of such a scheme.

6.2.11. Priority 5: Review feasibility of purchasing larger properties with four or more bedrooms

6.2.12. In 2022/23, i4B will carry out a pilot exercise looking at the cost of acquiring larger units. Like the adapted properties pilot, this will outline costs and whether purchasing larger units is affordable to the company, and if not, what additional finance is required.

6.3. Running a viable business

6.3.1. This objective relates to improving the operational and financial performance of i4B in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2022-23 will be on improving void times and rent collection rates, as well as developing strategies for value for money and asset management to effectively forecast and reduce costs. The 2022-23 strategic priorities that relate to this objective are:

6.3.2. Priority 6: Reduce void times

6.3.3. In response to ongoing high void times for i4B, an improvement action plan was presented to the Company Board in December 2021. Given the majority of the issues lay with historic void properties, and the comprehensive action plan in place, performance is expected to improve over 2022-23. This will be closely monitored by officers and at Board meetings during the financial year.

6.3.4. Priority 7: Develop an Asset Management Strategy for i4B

6.3.5. In its 2021-22 Business Plan i4B committed to work with the Council's Asset Management team and external third party freeholders to develop a long-term asset management strategy. While i4B has reviewed its existing stock condition data and agreed to commission an updated stock condition survey in early 2022, further work is needed in 2022-23 to draft up a costed asset management strategy once this survey has been completed and i4B has engaged with third party freeholders.

6.3.6. Priority 8: Commence the disposal of company properties in the Home Counties that do not meet demand

6.3.7. During 2021-22, it was agreed by the i4B Board to dispose of properties in the Home Counties when they go void if they cannot meet immediate demand from Brent's Housing Needs teams; this was due to consistently high void times at these properties.

6.3.8. In 2022-23, i4B officers will work with Housing Needs to assess demand in the event of a Home Counties property becoming void. Where a property cannot be used to meet demand, i4B will work with the Property Team to begin the disposal process.

6.3.9. Priority 9: Review void and repair costs

6.3.10. Void and repair costs are a large cost driver for i4B. The Company will commission a value for money review of these costs and implement actions from the resulting report. The review will look at current specifications, costs and contract pricing against sectoral performance.

6.3.11. Priority 10: Develop and implement a value for money strategy for i4B

6.3.12. Following the results of First Wave Housing's benchmarking exercise, i4B has identified areas of operational and financial underperformance. During 2022-23, i4B will produce a value for money (VfM) strategy. This will outline how i4B defines VfM, how it will achieve VfM, and plans for monitoring this. This process will involve setting specific VfM targets with service areas through the service level agreement (SLA) with the Council.

6.3.13. Priority 11: Review approach to former tenant arrears

6.3.14. The benchmarking exercise also demonstrated a high level of former tenant arrears (FTA) when compared against similar organisations. In order to reduce this i4B will carry out a review of its FTA levels, and work with the Council's Income team to recover these, or consider writing these off where unrecoverable.

6.3.15. Priority 12: Improve rent collection and arrears management

6.3.16. Alongside its FTA work, i4B will work with the Council's Income team to analyse the drivers of high arrears levels. Rent collection rates also remain below target, so i4B will review its current rent collection processes to identify any specific improvement actions where necessary.

6.4. Delivering safe and sustainable homes

6.4.1. This objective involves ensuring that i4B's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2022-23, the Company's focus will be on its compliance policies and metrics; relevant strategic priorities have been carried over from 2021-22 and are as follows:

- 6.4.2. Priority 13: Establish a suite of compliance policies and standards to ensure legal compliance
- 6.4.3. This priority has been carried over from last year. While existing policies were reviewed during 2021-22, further work in 2022-23 is needed to establish a comprehensive suite of compliance policies, standards and metrics for i4B. Officers will work with the Head of Housing Property Services to progress this work.
- 6.4.4. Priority 14: Establish a suite of performance monitoring metrics to give the Board assurance on compliance levels
- 6.4.5. An accompanying set of metrics will be developed alongside these policies. This will enable officers to effectively report on compliance to the Board, providing reassurance that the Company remains compliant with all relevant law.
- 6.4.6. Priority 15: Carry out an audit of the new compliance suite
- 6.4.7. Once established, the new set of compliance policies, standards and metrics will be reviewed to ensure they enable the Company to effectively monitor performance and to remain compliant.
- 6.4.8. Priority 16: Commission review of energy performance data for current stock
- 6.4.9. i4B will commission a consultant to review its existing stock to understand current energy performance data. This will give i4B an indication of the current energy performance of its stock.
- 6.4.10. Priority 17: Commission review to understand what work is required to bring stock up to an average of EPC B
- 6.4.11. Once i4B has an understanding of existing stock condition, it will carry out an analysis to determine what work is required to bring the stock up to an average of EPC B. This work will highlight the stock component replacements and upgrades that would be required to improve energy performance.
- 6.4.12. Priority 18: Model cost implications of bringing stock up to an average EPC B rating and develop a funding strategy for financing a carbon reduction works programme
- 6.4.13. An analysis will be carried out using the modelling on works required to improve energy performance to understand financial implications and cost. This will give i4B a better understanding of the longer term costs of climate change works. i4B will also seek to identify capital and any funding available from internal and external carbon offset/energy grant schemes to finance programmes of works.

6.5. Providing a consistently good housing service

- 6.5.1. This objective relates to improving tenant satisfaction. i4B monitors tenant satisfaction regularly through monthly reporting to the Company Board as well as STAR surveys every two years. The 2022-23 strategic priority for this objective is:

6.5.2. Priority 19: Monitor tenant satisfaction

6.5.3. Following the 2020 STAR surveys, Brent Housing Management have implemented a tenant satisfaction improvement plan. Metrics from this plan are included in the Housing Management performance reports that are submitted to the Company Board every month, and will be monitored throughout 2022-23. A new STAR survey will be carried out during 2022 as part of the ongoing programme.

Appendix 1 – Closed Appendix – Financial Analysis

Please refer to the i4B Closed Financial Appendix document.

Appendix 2 – Risk Register

See Appendix 2 of accompanying cover report.

Appendix 3 – Progress on 2021-22 Key Tasks

See Appendix 3 of accompanying cover report.

Appendix 4- 2022-23 Key Tasks

See Appendix 4 of accompanying cover report.

Appendix 5 – Key Performance Indicators

KPI No	KPI	Measure	2021/22 Business Plan <i>Targets in weeks or calendar days</i>	Monitoring Period	KPI Owner	Performance at December 2020	Current Performance
1	Net Property Yield	Takes into account purchase price and LHA rate plus one off purchase costs and ongoing annual costs.	1.22%	Monthly	i4B	1.25%	1.30%
2	Average portfolio purchase price	The average cost of a portfolio property including works, SDLT, fees and VAT.	£363,000	Monthly	i4B	£363,484	£366,778
3	Maximum equity share held by LB Brent	The proportion of equity held by LB Brent in relation to the total loan provided to i4B.	23% (maximum)	Quarterly	LB Brent – Finance	22%	20%
4a	Property Negotiation – PRS panel to instructing legal	The average number of calendar days in the reporting period between PRS panel instruction to property instructing legal. Activity in this period includes the negotiation of property price and the vendor's acceptance of offer.	60 days	Monthly	LB Brent – Property	25 days	47 days
4b	Instructing Legal – Legal reporting to property	The average number of calendar days between property instructing legal to legal reporting to property. Activity included in this period includes legal due diligence and title reporting.	85 days	Monthly	LB Brent – Legal	107 days	109 days
4c	Instruction to keys	Period in calendar days between property instructing legal to the purchase of the property including the	130 days	Monthly	LB Brent – Property/Legal	210 days	155 days

		period taken to provide keys/handover pack to refurbishment.					
5a	PRS acquisitions	Number of PRS street properties purchased by the property team.	378 by April 2022	Monthly	LB Brent – Property	318 at April 2021	368 by April 2022 forecasted
6	Major void times	Period from tenancy end date/acquisition date to tenancy start date for major voids.	75 days	Monthly	LB Brent – Property	93 days (overall void time)	133 days
7	Minor void times	Period from tenancy end date/acquisition date to tenancy start date for minor voids.	35 days	Monthly	LB Brent – BHM	93 days (overall void time)	75 days
8	Number of lets in the period.	Number of new tenancy sign ups in the month.	In line with PRS Programme assumptions.	Monthly	LB Brent – Housing Needs	32 YTD	47 YTD
9	Number of Re-let Voids	Any property not occupied by a tenant. Snapshot as of the last day in the month.	Contextual	Monthly	i4B	7	13
10	Rent Collection	Rent collected as a % of rent due. This is measured on a 4 weekly cycle in line with BACs payments to i4B.	98.5%	Monthly	Housing Management Agents – Mears and BHM	93.5%	88.5%
11	Rent arrears action	Evictions	Contextual	Monthly	Housing Management Agents – Mears and BHM	2 in 2020/21	2 in 2021/22

12	Customer Satisfaction	Biennial Survey <i>NB: 2020 data</i>	80% satisfied with the condition of the property.	Annual	i4B	63%	63%
13	Customer Satisfaction	Biennial Survey <i>NB: 2020 data</i>	80% satisfied with the management of the property.	Annual	i4B	69%	69%
14	Customer Satisfaction	Biennial Survey <i>NB: 2020 data</i>	80% satisfied with the repairs service.	Annual	i4B	64%	64%
15	Customer Satisfaction	Survey Participation <i>NB: 2020 data</i>	1/3 of customers surveyed annually (minimum).	Annual	i4B	33%	33%
16	Ombudsman decisions upholding a complaint	A decision by a statutory body upholding a complaint made by a customer, contractor, employee or member of the public.	None	Quarterly	i4B	N/A	N/A
17	% of Portfolio properties home visited	One property visit is required every two years. % of property visits completed in relation to the properties under management.	100%	Annual	Housing Management Agents – Mears and BHM	N/A – home visits suspended in 2020/21 due to Covid-19	100%
18	% of Portfolio with valid CP12	Properties let with a valid CP12 gas certificate.	100%	Monthly	Housing Management Agents – Mears and BHM	95% (Tenants refusing to grant access)	BHM – 99.6% Mears – 92.4%

19	% of Emergency Repairs completed within 24 hours	The % of all emergency repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.	100%	Monthly	Housing Management Agents – Mears and BHM	100%	100%
20	% of Urgent Repairs completed within 7 days	The % of all urgent repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.	95%	Monthly	Housing Management Agents – Mears and BHM	90%	81%
21	% of Routine Repairs Completed within 28 days	The % of all routine repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.	95%	Monthly	Housing Management Agents – Mears and BHM	90%	91%
22	% of i4B portfolio let above LHA rate	Show as a % of i4B properties let at a weekly rental income higher than the LHA in the property locality.	Contextual/Max 25%	Quarterly	i4B	0%	0%