

BME Collaboration: Multiplying Success

A report highlighting how fourteen BME associations are making collaboration work.



Executive Summary

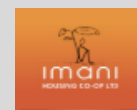
In July 2016, we published a report which shared the journey of twelve Black and Minority Ethnic (BME) housing associations who had initiated a series of joint working projects. The projects have covered joint procurement; learning & development initiatives (such as mentoring and shared training sessions); and a pooled employment service.

Their core objective has been to deliver enhanced value for money for their residents, communities and organisations. This includes providing their customers with the opportunity to access services that they would not otherwise be able to deliver alone, as well as sharing and learning from best practice. Our previous report reflected on the lessons they had learnt along the way to make collaboration the '*art of the possible*'.

Since this time, the group have developed small working groups for these specific initiatives; shared ideas and challenges on operating in a more complex environment; and taken each of the projects forward. Each project aims to have a positive benefit to the group. For example, by joining forces on procurement, they anticipate savings on their legal fees of up to 30%, and savings in the region of 5 – 10% for electricity supply and an estimated 20% for gas. They have also co-ordinated pooled training sessions which is enabling direct sharing of experiences and mutual support.

Their achievements have meant that they have also grown their membership, which now stands at fourteen London BME housing providers. Their work has extended beyond the group of CEOs and now involves engagement and collaboration at different levels within their organisations.

The group continue to work collaboratively, recognising that as a collective there is greater strength in numbers, but that they can still retain their distinctive individual voices. This report therefore highlights how the group has worked together to multiply its success, in an environment where collaboration as an option for achievement has never been more relevant or necessary.



Overview

Background and context

Many housing organisations continue to face immense uncertainty and pressures on their capacity and ability to deliver high quality services to their customers. There has therefore never been a greater need for initiatives that enable organisations to tackle current challenges head-on. This includes joint working or collaboration between organisations. Yet, it is generally recognised that there appears to remain a significant amount of untapped potential when it comes to partnership working in the housing sector. This comes at a time when housing providers, are being challenged to deliver more efficient and effective services.

In early 2016 twelve Black and Minority Ethnic (BME) associations identified and acted upon the opportunity to embark on a series of joint working projects. They recognised that whilst they are closely in touch with their customers, and have distinctive voices and identities, that collaboration could bring many tangible benefits to their communities, such as increased capacity and better deployment of increasingly scarce resources.

Ultimately, they felt that by joining forces, they could support the delivery of enhanced value for money by enabling their organisations to collectively do more for less.

Since forming, there are now fourteen BME housing providers involved in delivering joint working projects, including:

1. Apna Ghar Housing Association
2. Arhag Housing Association
3. Bangla Housing Association
4. Ekaya Housing Association
5. Odu Dua Housing Association
6. North London Muslim Housing Association
7. Imani Housing Co-op
8. Industrial Dwellings Society (IDS)
9. Inquilab Housing Association
10. Innisfree Housing Association
11. Shian Housing Association
12. Spitalfields Housing Association
13. Tamil Housing Association
14. Westway Housing Association

These organisations vary in size (from 185 homes up to 1,250 homes) and deliver a diverse range of services across London, aiming to ensure that the housing needs of their communities continue to be met.

The Journey

Unlocked potential

It was established early in the joint working process that together the group had a significant amount of unlocked potential. Those twelve initially involved in joint working discussions had a combined asset value of £1.2 billion and the capacity to develop 2,100 new homes. Some had reserves greater than most medium sized housing associations. This potential has only grown as the group has expanded.

Working together to release this potential was therefore a no brainer. But there was a need to determine the areas where they could collaborate effectively on an ongoing basis. The group didn't want fleeting engagement, but to work together on projects that would give them some 'skin in the game'.

This was challenging because there was a need to find common ground between over a dozen associations, that who despite having a lot in common, also possess very different ambitions, customers and geographical remits.

The group therefore worked hard to take the time to build up trust, but also kept an open mind and were willing to make compromises where necessary.

Determining the projects to take forward involved a number of stages, including shortlisting, development of business cases and further scoping.¹

The focus was on keeping this process engaging, robust and simple. Their approach was also underpinned and facilitated by co-design and open communication.

Altair supported the Group's governance, programme and project co-ordination, providing resources to keep momentum on the various projects and independent advice and expertise where needed.

Projects and objectives

Having held a series of workshops and meetings the group agreed that they wanted to achieve the following outcomes:

- Enhanced value for money for their residents, communities and organisations

¹ A full outline of the approach taken is included in our previous report 'Art of the Possible'.

- Provide their customers with the opportunity to access services, that they would not otherwise be able to deliver alone.
- Share and learn from best practice.

To deliver these ambitions they have taken forward three distinct project streams. These are:

1. *Joint procurement of utilities and legal services*

- To achieve cost savings through economies of scale and lower transactional costs through collective buying power.

2. *Learning and development (L&D)*

- To support and foster the development of future leaders through an internal mentoring scheme between CEOs and middle managers, as well as a separate sector-wide leadership initiative, entitled 'Leadership 2025'. The latter involves partnering with Roffey Park - a renowned business school, L&Q and Amicus Horizon to develop and nurture senior managers from a diverse background so that they can be sector leaders of the future.
- Other L&D initiatives aimed at delivering cost savings and added value e.g. through pooled staff training and graduate recruitment programmes.

3. *Employment support*

- To pilot a service to customers to deliver a holistic and personalised

advisory approach that is able to fully meet the varying needs of the group's different communities.

The group decided early on to establish a formal governance structure to oversee the programme. This has provided a clear framework for decision making and information sharing.

The structure includes three project groups which report into a programme board that includes all the group's CEOs. A memorandum of understanding was signed by existing and new members to provide clarity on the principles, roles and activities of those involved. It sets out some principles for joint working, including mutual respect and the understanding that there would need to be compromise at times to achieve the wider set of objectives.

Key achievements so far

Since launching the collaborative working initiatives, the group has made great progress in taking forward a complex and resource intensive programme of projects, despite facing a number of challenges, including a changed external environment; changes in personnel on the governing group; and differing organisational priorities and capacity to participate.

There are several key highlights for each project underway. And these successes are outlined below.

Procurement

The organisations have now joined the Housing Associations' Legal Alliance (HALA) legal consortium. They have done so as a group, rather than as individual associations. The consortium is focussed on delivering cost savings and increased efficiencies in the sourcing of external legal services for its members. As a result, the group expects to achieve savings on their legal fees of up to 30%.

The group will also gain social value benefits offered by the consortium, such as training sessions for their staff, or employment opportunities for their residents.

The group are also embarking on the joint procurement of communal utilities supply with the potential likelihood of achieving savings in the region of 5 – 10% for electricity supply and savings in the region of 20% for gas.

Learning and development

By joining together to procure a programme of coordinated training sessions for their staff, the group have already saved an estimated £6,500 between them.

The group have also worked to create a sector wide leadership scheme, Leadership 2025, which will launch in September 2017. The programme aims to support the development of a housing sector that is vibrant and diverse at all levels, including the most senior levels. It will be supported by

private sector partners and existing housing sector leaders. L&Q and AmicusHorizon have joined forces with the BME Landlords (London Group) to develop the programme, and it will be run with Roffey Park - a renowned business school. Altair are also a co-sponsor and supporter of the initiative.

The programme is envisaged to last for one year, incorporating a range of topics including:

- Self-reflection, self-assessment and 360-degree feedback
- Mentoring and coaching
- Networking
- Marketing Brand and Profile
- Practical tuition (e.g. through the accredited business school)
- Action learning (combining academic learning and housing-specific knowledge through sessions with current housing sector leaders)
- Private sector engagement

In addition, the group has already started an internal mentoring programme, which has involved matching senior managers (mentees) within their organisations to the group's CEOs (mentors). CEOs have received training on how to be effective mentors and the programme will be delivered over the next twelve months.

The key aims are to enable the associations to retain talent and transfer knowledge, as well as to create capacity in their own organisations and across their group through pro-active succession planning

Employment

Having explored their options and developed the necessary processes and procedures. The group is now considering options for an employment agency advisor and will be launching a pilot for an employment support initiative, in the summer of 2017. This will last six months and aims to provide the group's residents with access to employment, support and opportunities.

The service intends to link with existing employment services such as Love London Working (LLW), Access UK and Olmec.

Future Ambitions

The group are continuing to progress with their existing projects and recognise that together they are multiplying their success. Going forward these housing providers will be using their own internal resources and growing expertise.

Overall, it is recognised that the achievements so far have provided an important basis for the group to build trust and an opportunity to learn how to work together. This has meant that they now have foundations in place so that they can genuinely contemplate delivering more large-scale projects in the future.

Longer term business planning has now been integrated into the group's approach and thinking and they have begun to establish their medium to long-term goals and their plans for reaching them. Their key aims for the future include:

- Fulfilling the objectives of the collaboration projects already underway
- Delivering for customers and communities
- Advocacy for communities
- Developing durable partnerships, increasing the group's bargaining power and overall value for money for individual members

To achieve these goals their plans include making an even greater difference to their communities and businesses by taking on more ambitious collaborative projects.

Some opportunities the group are currently exploring include:

- Developing more homes together to reduce risk and maximise capacity
- Approaching financial institutions to achieve better borrowing rates.
- Bulk purchasing to deliver more substantive financial savings.
- Setting up a trade body / formal governance structure that would enable the group to perform an advocacy / bargaining role.

These projects will most certainly require even more individual and collective investment, and commitment compared to current projects.

However, it is envisaged that they will ultimately enable the group to achieve a greater return on their investment which will in turn directly benefit customers and communities and the wider sector.

We urge you to watch this space.