

CABINET (HOUSING) COMMITTEE

20 June 2012

2011/12 PERFORMANCE MONITORING OUTTURN - HOUSING REVENUE
ACCOUNT (HRA) SERVICES

REPORT OF HEAD OF HOUSING SERVICES

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RECENT REFERENCES:

None.

EXECUTIVE SUMMARY:

This report sets out the performance outturn information for 2011/12 against key performance indicators and the Housing Revenue Account Business Plan which fell within the responsibility of the Portfolio Holder for Strategic Housing and Landlord Services.

RECOMMENDATIONS:

That Cabinet (Housing) Committee notes the performance information and considers whether further actions are required to address any areas of concern.

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2011/12 PERFORMANCE MONITORING OUTTURN - HOUSING REVENUE ACCOUNT (HRA) SERVICES

REPORT OF HEAD OF HOUSING SERVICES

DETAIL:

1 Purpose of the Report

1.1 The Committee is asked to review and monitor the performance, on behalf of Cabinet, those areas of responsibility of the Portfolio Holder for Housing. For future meetings, it is intended that this report focus on “exceptions” or areas where performance is not achieving targets. However, full business plan progress and performance data has been included in this report for completeness and to ensure members and TACT have the opportunity to review and monitor all areas of the Council’s Landlord Services function.

2 Progress against Business Plan targets and objectives

2.1 The main successes of the year have included the following:

- a) Self Financing and Housing Finance Reform – Proposals for self financing were completed successfully in March 2012 and external borrowing was secured that achieved savings on budgeted annual interest costs of £830,000. Proposals for how this resource will be used will be brought to this Committee as part of revised budget proposals in September.
- b) Voids – Performance has continued to improve during 2011/12. The target average number of days void was 25 days for General Needs housing and 40 days for Sheltered Housing. The actual out-turn figure is 18 Days for general needs and 21 days for sheltered housing. This is due to continual reviewing of the void process to eliminate delay where possible.
- c) Arrears – The amounts of outstanding arrears as a percentage of rent due was 1.04% last year. The number of tenants using the Citizens Advice Bureau Money Advice Service has remained at capacity over the year, but this does not seem to have had the adverse effect on the Council’s rent collection service as might have been expected.
- d) Rationalisation of Older Persons Housing – The review of sheltered housing has resulted in a number of sheltered housing schemes being reclassified as general needs housing. All

tenants have now been notified of how their housing schemes have been affected. This action has had little impact in the short term and the declassified schemes will remain occupied by predominantly older tenants for some years.

- e) Tenant Empowerment – As part of the Council's obligations under the Localism Act to provide tenants with opportunities to be involved in service provision and decision making, Housing officers have worked with TACT to review their operation and to establish tenants scrutiny groups to review key services. Tenant scrutiny panels have been established to review Repairs, Housing Management, Sheltered Housing, Resident Involvement and Leasehold Management. A formal process for how tenants can escalate concerns or make representations to Council members has yet to be agreed.
- f) Estate Improvements Programme – This programme has proved very popular and has committed £200,000 to a range of estate improvements in the last year (CAB2267 (HSG) date December 2011 provide details of individual schemes). £250,000 is included in the capital programme to fund schemes in the current year and report CAB2354 (HSG) elsewhere on this agenda seeks approval for a supplementary estimate of a further £300,000 to add to this programme.
- g) Renewable Heating Scheme – The Council has successfully completed its first renewable heating scheme in Hambledon, which has seen over 20 properties have inefficient storage heating systems replaced by biomass boilers, air source heat pumps and solar thermal systems. The scheme was part funded by Government grant of over £100,000.

2.2 Main areas where work has not progressed in accordance with business plan:

- a) Gas Servicing – whilst performance improved during the year and met 100% in December a single property has reduced the annual figure to 99.99%. This process has been reviewed in detail and has improved significantly in 2011/12. Overall performance is good and Housing officers, legal officers and contractors are working well in partnership to maintain performance. It is unfortunate that the actions of one tenant has prevented compliance with this target, although access to that property was gained very shortly after the year end.
- b) Repairs – The new responsive repairs contract has been in operation since October last year and overall tenant satisfaction with work completed is high. However, there have been a number of problems and difficulties in setting up effective systems which has frustrated progress on the council/contractor relationship. This has meant expected service improvements have yet to be realised. Osbornes have suffered from staff

turnover in the early months of the contract. Positive action has been taken to address these issues and contract management and monitoring meetings are now in place which should allow an effective partnership to be established.

- c) Tenant Compact – Plans to agree a new Tenant Compact with TACT were deferred whilst the revised TACT operation and tenant scrutiny process was established. A new target date for this will be agreed with TACT in the coming months. A review of the TACT constitution is underway currently.

3 Benchmarking and Value for Money

- 3.1 Performance against key indicators is detailed in Appendix 2. Performance in relation to Decent Homes, Tenant Satisfaction and Arrears remain in line with the top 25% of landlords nationally.
- 3.2 As highlighted above and in appendix 3, void re-let times improved in 2010/11 and 2011/12, taking Winchester out of the bottom 25% of landlords. Using last year's benchmarking data, this means Winchester is performing above average against its peers.
- 3.3 The Council has completed very detailed benchmarking comparisons with other Council landlords. The results are summarised in Appendix 3 can be viewed on the Council's website at:
<http://www.winchester.gov.uk/Housing/CouncilHousing/HousingPerformance/>
- 3.4 Winchester is in the top 25% of landlords for most of its performance in 2010/11. The set of results against 2011/2012 performance will be available in August and published to tenants in the Annual Report in October 2012.

4 Conclusions and Recommendations

- 4.1 Winchester City Council's Landlord Services Team has improved their performance against their peers in the national benchmarking validated by Housemark. This improvement is demonstrated in Appendix 3, comparing 2010/11 results against 2009/10 and 2008/2009.
- 4.2 The results from 2011/2012 will be available from September 2012 and initial findings show that the Winchester's performance against its peers should be as positive as they were last year.

5 TACT Comment

- 5.1 The good performance and value for money achieved over the last year is noted. TACT welcomes the improvements proposed as a result of self financing. We recognise this is a time of change for TACT and we will work closely with Richard Botham and his team to make sure tenants receive a good deal from their landlord in future years.

OTHER CONSIDERATIONS:

6. SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS
(RELEVANCE TO):

- 6.1 The Community Strategy places emphasis on strong performance management. This report forms part of the quarterly performance and financial monitoring processes, designed to check progress being made against agreed targets.

7 RESOURCE IMPLICATIONS:

- 7.1 There are no direct resource implications the need to be considered as part of this report, although obviously ensuring strong performance in areas such as voids and arrears is essential to the financial health of the HRA.

8 RISK MANAGEMENT ISSUES

- 8.1 Risk management plans form an integral part of the HRA Business Plan and key risks have been assessed and actions are in place to mitigate those risks.

BACKGROUND DOCUMENTS:

Working documents held in the Landlord Services Division

APPENDICES:





Appendix 1: Progress against Key Landlord Services Division Business Plan Objectives.




Appendix 2: Landlord Services Performance Indicators

Appendix 3: Benchmarking Summary for 2008/09, 2009/10 and 2010/11



Appendix 4 Voids Scorecard

Landlord Services Business Plan 2010-2015












Action Code	Action Description	Action Desired Outcome	Status Icon	Dates Due Date	Notes & History Latest Note
AC/001.5	Agree a new Tenant Compact	Compliance with the TSA Tenant Involvement and Empowerment Standard – All tenants have the opportunity to influence housing policy and service delivery and to scrutinise performance of their registered provider		31-Oct-2012	TACT restructured and proposals for scrutiny fully consulted on. However, production of Compact deferred until Oct 12 to take account of trial scrutiny process planned for April-Oct 12.
AC/002.10	Implement Housing Revenue Account (HRA) Reform	New system implemented and investment plans determined in light of available resources		31-Mar-2012	Final borrowing secured at rates more favourable than business plan projections, reducing interest costs by £830k annually. Final invoice payment to DCLG of £156,722,000 made on 28 March. Consideration now needed as to whether to close this as a project and separate into treasury management, HRA Business Plan and New Homes Delivery.
AC/002.12	Improve Quality of Older Persons Housing	Appropriate care and support provision secured for Winchester tenants in both older persons and general needs housing		31-Mar-2013	New contracts agreed for Sheltered Housing and Community Alarm. Sheltered housing rationalised. Council no longer the direct care and support provider at Extra Care schemes.
EEC/001.5d	Implement Asset Management System	There is staff capacity within the Council to undertake a stock survey		31-Dec-2012	System configuration workshop held and base system structure now devised. All stock data now supplied to Keystone.

HQE/001.07	Develop City Council housing stock 10 year energy plan with implementation plan	Contribution towards carbon reduction targets. Reduced fuel poverty. Reduced energy costs for tenants.		02-Jan-2013	Due date extended to allow for the potential for increased investment available from HRA Reform to influence priorities in the Plan.
HQE/001.11	Develop a programme of Solar Photo-Voltaic installations to Council Housing stock	Contribution towards carbon reduction targets. Reduced fuel poverty. Reduced energy costs for tenants.		31-Mar-2012	Changes to tariffs frustrated this project. This project has been superseded by other Renewable energy schemes and additional investment in new heating schemes.
LAN/TEN/004	Produce a Tenancy Policy in accordance with the Localism Act covering issues such as flexible tenancies, which links to the Council's Tenancy Strategy	Policy produced and communicated to tenants		31-Mar-2013	Work underway and proposals for Tenancy Strategy will be brought to this committee later in the year

Action Status

	Completed
	Assigned; In Progress
	Unassigned; Check Progress; Not Started
	Overdue
	Cancelled

Landlord Performance Indicators 2011/12**CAB2355(HSG)
APPENDIX 2**

PI Code	Short Name	2009/10	2010/11	2011/2012			Notes
		Value	Value	Value	Target	Status	
NI 158	% non-decent council homes	0%	0%	0%	0%		
NI 160	Local authority tenants' satisfaction with landlord services	85.7%	85.4%	85.4%	85%		Last monitored Nov 2010. Next survey due in November 2012
LPI	Current tenant rent arrears as a % of rent due	1.13%	1.09%	1.04%	1%		
LPI0270	Responsive repairs - % of jobs completed within target	91%	89%	90.5%	95%		111 appointments missed from 4377 customer care cards
LPI0271	Responsive repairs - % of appointments made and kept	98%	95%	97.5%	98%		Total number of jobs 17045
LPI0278	Gas servicing - The % of homes with current gas servicing certificate	98.9%	98.9%	99.99%	100%		This was 1 property which has now been serviced
LPI0310	Average % of stock empty through year	1.47%	1.09%	1.10%	1%		Reason from Amber
LPI0314	Rent & charges lost through vacant dwellings (%)	1.52%	1.12%	0.9%	2%		The monetary value of this is £201k
LPI0372	Total number of tenancies/ licencees owing over 13 weeks rent	32	35	41			
LPI0378	Value of former tenant arrears	£222k	£179k	£180k	£160k		
LPI0335	Average re-let time for General Needs properties (in days)	34.06	21.75	18	25		Target for 2012/13 to be reduced to 20 days
LPI0336	Average re-let time for Older Persons properties (in days)	50.51	27.5	21	40		Target for 2012/13 to be reduced to 25 days

Landlord Services - General Quantitative Indicators/Service Volumes

Landlord Performance Indicators 2011/12CAB2355(HSG)
APPENDIX 2

Description	2009/10	2010/11	2011/12
	Value	Value	Value
New tenancies - Waiting list	256	216	193
New tenancies – Transfers	136	72	71
New tenancies - Mutual Exchanges	94	79	98
No. of Introductory Tenancies commencements	236	196	182
Number of Evictions (ITs)			1
Number of Evictions (rents)	6	5	4
Number of Evictions (nuisance)	3	2	1
Number of Notices Seeking Possession (rents)	645	677	703
Number of Notices Seeking Possession (nuisance)	8	10	16
Number of Acceptable Behaviour Contracts	1	2	1
Number of Anti Social Behaviour Orders	1	0	0
Number of Harassment Cases	2	4	3
Number of Closure Orders	0	0	2

Landlord Services – Disabled Adaptation Indicators

Description	2009/10	2010/11	2011/12
	Value	Value	Value
Total no. of tenants receiving adaptations	564	624	712
No. of level access showers installed	90	152	253
No. of stair lifts installed	17	17	7
No. of assisted access works completed	24	15	90
No of major building adaptations completed	1	1	4

Landlord Performance Indicators 2011/12CAB2355(HSG)
APPENDIX 2**Landlord Services - Quantitative Indicators/Service Volumes for Repairs**

MAJOR WORKS	2009/10			2010/11			2011/12		
	Number	Ave Value	Total	Number	Ave Value	Total	Number	Ave Value	Total
Kitchen upgrades	90	£3,228	£290,520	155	£3,846	£596,130	150	£4,238	£635,700
Heating upgrades	406	£2,358	£957,348	510	£2,548	£1,299,480	465	£2,608	£1,212,720
Door upgrades	141	£509	£71,769	265	£520	£137,800	286	£535	£153,010
Bathroom upgrades	112	£3,169	£354,928	202	£3,240	£654,480	136	£3640	£495,040
Insulation upgrades	96	£190	£18,240	179	£225	£40,275	183	£250	£45,750
Window upgrades (Dwellings)	0	£0	£0	54	£3,065	£165,510	78	£1,718	£134,004
Cost of "Other" works			£2,208,000			£2,579,000			£3,073,225
Total Cost of Major Works	845		£3,900,805	1365		£5,472,675	1298		£5,749,449

RESPONSIVE REPAIRS	2009/10		2010/11		2011/12	
	Number	Value	Number	Value	Number	Value
Responsive Repairs - No. of Emergency jobs	3,906		3,515		3,355	
Responsive Repairs - No. of Urgent (5 day) jobs	6,229		6,330		6,368	
Responsive Repairs - No. of Routine (12 day) jobs	3,156		2,465		2,459	
Responsive Repairs - No. of Routine (30 day) jobs	3,717		4,827		3,644	
Responsive Repairs - total no of jobs	17,008		17,137		15,826	
Responsive Repairs - Total value of Serco work		£687,000.00		£780,000.00		£890,000
Responsive Repairs - Total value of Nationwide work		£207,000.00		£225,000.00		£292,000
Responsive Repairs - Total value of work to other contractors		£118,000.00		£166,000.00		£142,000
Responsive Repairs - total cost of jobs		£1,012,000		£1,171,000		£1,324,000
Responsive Repairs – Average cost per job		£60		£68		£83

Management Benchmarking Overview (Produced by Housemark)

The following Value For Money Summary has been prepared by Housemark as part of an annual independent benchmarking exercise and is provided to illustrate the relationship between cost and performance across the main national TSA standards for Housing. It shows Winchester City Councils performance compared to 30 other local social housing providers. 2011/12 comparisons will be available in September 2012.

TSA Standard Summary for Winchester City Council								
TSA Standard	Cost KPI	Cost KPI Quartile			Quality KPI	Quality KPI Quartile		
		Winchester City Council (2010/11)	Winchester City Council (2009/10)	Winchester City Council (2008/09)		Winchester City Council (2010/11)	Winchester City Council (2009/10)	Winchester City Council (2008/09)
Tenant Involvement and Empowerment	Direct cost per property of Resident Involvement	Above Average	Above Average	Below Average	Percentage of tenants satisfied that views are being taken into account (GN)	Top 25%	Top 25%	Top 25%
					Percentage of respondents who felt staff were able to deal with their problem (GN)	Top 25%	Top 25%	Top 25%
					Percentage of tenants satisfied with complaints handling	No data	No data	No data
Home	Direct cost per property of Responsive Repairs & Void Works	Top 25%	Top 25%	Top 25%	Percentage of tenants satisfied with the repairs and maintenance service (GN)	Top 25%	Top 25%	Top 25%
					Repairs completed 'right first time'	No data	No data	No data
	Direct cost per property of Major Works & Cyclical Maintenance	Above Average *	Top 25%	Above Average	Percentage of tenants satisfied with overall quality of home (GN)	Top 25%	Top 25%	Top 25%
					Percentage of dwellings failing to meet the Decent Homes Standard	Top 25%	Top 25%	Above Average
Tenancy (Including Allocations, Rents and Tenure)	Direct cost per property of Housing Management	Top 25%	Top 25%	Below Average	Average time in days to re-let empty properties (GN)	Above Average #	Bottom 25%	Bottom 25%
					Percentage of tenants satisfied with overall services provided (GN)	Top 25%	Top 25%	Top 25%
					Current tenant rent arrears as % of rent due	Top 25%	Top 25%	Top 25%
Neighbourhood and Community	Direct cost per property of Estate Services	Top 25%	Top 25%	Top 25%	Percentage of tenants satisfied with their neighbourhood as a place to live (GN)	Top 25%	Top 25%	Top 25%
	Direct costs per case of Anti social behaviour	Above Average	Above Average	No data	Percentage of respondents satisfied with anti-social behaviour case handling	No data	No data	No data

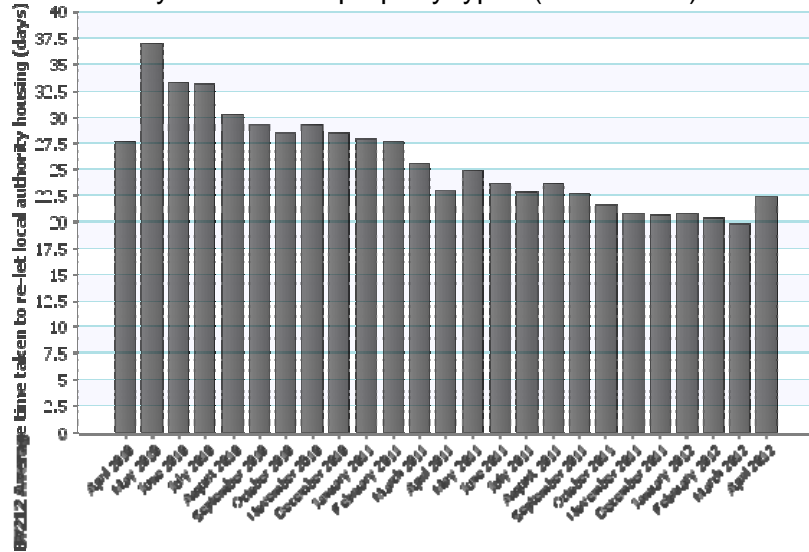
Bold highlights a change from previous year.

* This shows an increase in the amount of money spent on the upkeep of council properties

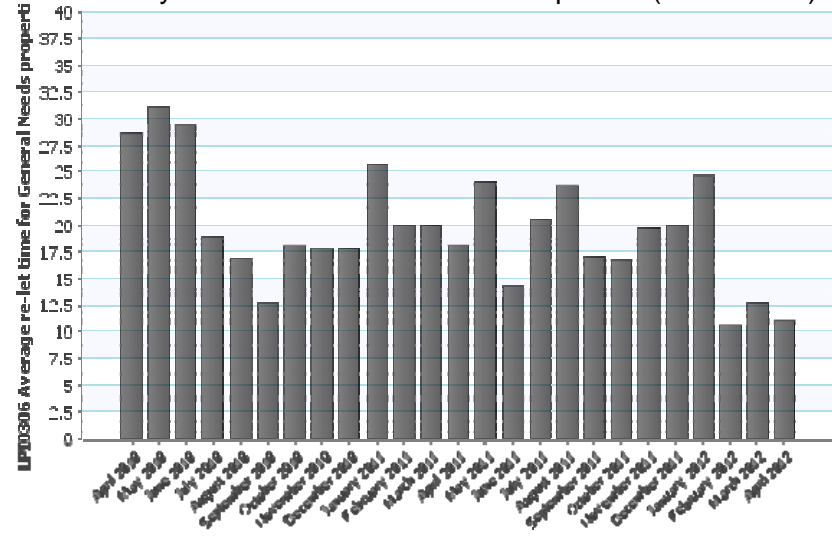
This shows a good improvement in our Re-let times as described earlier in the report

Re-let times/rent lost for Vacant Properties

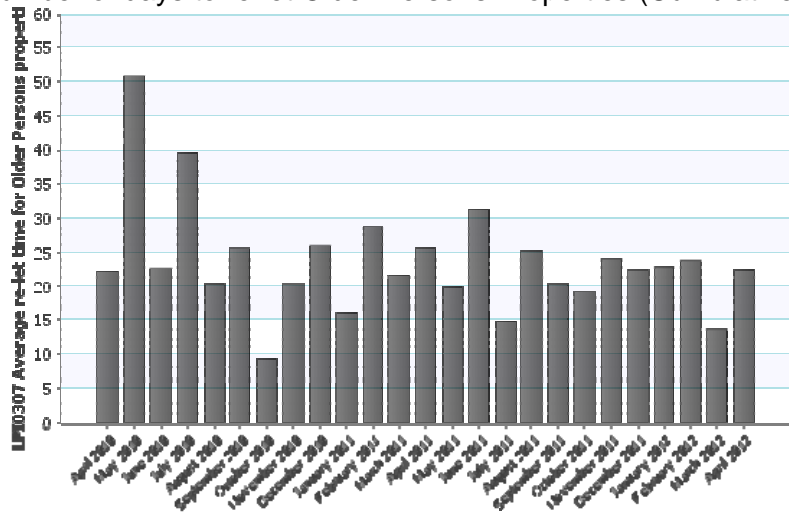
Number of days to re-let all property types (Cumulative)



Number of days to re-let General Needs Properties (Cumulative)



Number of days to re-let Older Persons Properties (Cumulative)



Rent lost through vacant dwellings

