

CABINET (HOUSING) COMMITTEE

19 June 2013

2012/13 PERFORMANCE MONITORING OUTTURN - HOUSING REVENUE
ACCOUNT (HRA) SERVICES

REPORT OF ASSISTANT DIRECTOR (CHIEF HOUSING OFFICER)

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Recent References

None

EXECUTIVE SUMMARY:

This report sets out the performance outturn information for 2012/13 against key performance indicators and the Housing Revenue Account (HRA) Business Plan.

2012/13 saw significant additional investment in Housing Services as a result of the "self-financing" changes implemented from April 2012. Additional resources for repairs and new homes in particular were approved and included in the 2012/13 budget.

Despite no overall increase in staff resource, the repairs programme has been completed as planned and most key performance targets have been kept on target. Tenant satisfaction has been tested and has increased from 86% to 88%. The new homes programme has seen 4 additional homes completed/added to the overall stock and a further 13 commissioned. An ambitious programme to provide over 200 in the next five years has been formally approved and work is under way to secure planning approval for a number of sites.

Some works have been delayed, including the Stanmore Estate Improvement programme and the Stock Condition Survey, although overall this report highlights very positive progress across a range of housing 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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REPORT OF ASSISTANT DIRECTOR (CHIEF HOUSING OFFICER)

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 has the opportunity to review and monitor all areas of the Council’s HRA 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. This allowed the Council to approve additional spend on Planned Maintenance and to commence a New Homes Delivery programme aimed at building 150 homes in five years. Despite no increase in overall resources, the repairs programme was delivered as planned (resulting in a small overspend against revenue and capital budgets). The New Homes Programme is progressing well with 4 additional homes completed, 13 more formally commissioned and under way and an approved programme with specific sites identified to deliver over 200 in the next five years.
 - b) Voids – Performance has continued to improve during 2012/13. The target average number of days void was 20 days for General Needs housing and 25 days for Sheltered Housing. The actual out-turn figure is 18.45 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 1.2% last year and increase of 0.09% on the previous year (1.11%). The number of tenants using the

Citizens' Advice Bureau Money Advice Service has remained at capacity over the year. Arrears will be under the spotlight in 13/14 because of Welfare Reform and a new scorecard has been introduced (see Appendix 3)

- d) Extra Care Service – In June 2012 the Council decided not to bid for the contract with Supporting People. The contract is now provided by Radian. The Council retains the housing management responsibility. Work to move tenants from Victoria House to Danemark Court has been completed, which brings both the Extra Care Units closer together at Matilda Place and Danemark Court.
- e) Tenants Satisfaction Survey – Every two years, a sample of tenants are surveyed on a range of topics. This was previously a national mandatory survey known as the STATUS survey. It is no longer mandatory but officers have continued to carry out the survey along the same national themes which can be benchmarked.

A briefing paper will be prepared for all Members detailing the key findings of the survey and the final report will also be added to the Council's Intranet pages with a link circulated as part of the briefing paper. A brief summary of results is detailed below:

- (i) Taking everything into account, 88% of tenants are satisfied with the service provided by Winchester City Council
 - (ii) 84% of tenants are satisfied with the overall quality of their home.
 - (iii) Overall, 88% of tenants are satisfied with their neighbourhood as a place to live.
 - (iv) 82% of tenants are satisfied that their rent provides value for money
 - (v) 83% of tenants are satisfied with way Winchester City Council deals with repairs and maintenance
 - (vi) 68% of tenants are satisfied that Winchester City Council listens to views and acts upon them
 - (vii) 63% of tenants are satisfied that their service charge provides value for money.
- f) Tenant Empowerment –Tenant scrutiny panels have completed their first year of reviews. Topics under scrutiny are Complaints, Responsive Repairs and Tenancy Management.
 - g) Estate Improvements Programme – This programme has proved very popular and had an enhanced budget of £550,000 in 12/13.

Due to a number of delays with contractors not all the schemes were completed on time. However, all commitments will be completed in 13/14 and another £250,000 spent on new projects.

- h) Whitewings – The project to bring the empty bedsit wing at Whitewings back into use in partnership with Hampshire County Council’s Adult Services team has been completed and units that had been vacant for many years are now becoming occupied. 18 small poor quality bedsits have been converted into 14 fully refurbished high quality homes with supporting communal space dedicated to providing specialist support to adults with learning difficulties.

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% on 2nd April 2013, two properties were outstanding on 31 March 2013 reducing the annual figure to 99.99%. This process has been reviewed in detail and has improved significantly over the year. Overall performance is good and Housing officers, legal officers and contractors are working well in partnership to maintain performance
- b) Asset Management – The Stock Condition survey has been delayed whilst officers develop the new Asset Management software system designed to hold all data collected. Whilst the system has been implemented and tested, a number of problems have taken time to resolve, partly due to the changes to the corporate infrastructure which had to take priority over any single system. Testing has now been completed satisfactorily and consultants have been appointed to commence survey work in July 2013. The results will inform business planning for 2014 and beyond.
- c) Estate Improvements – Proposals for additional works on Stanmore have been delayed partly to the extent of other work in the programme, which was delivered as originally planned and also as a result of the Stanmore Planning Framework consultation. Progress with a number of proposals was deferred pending the outcome of the Framework consultation to ensure proposals do not conflict with the outcome. A carry forward for this work has been requested and schemes will be completed later this year.

3 Update on first quarter 2013/14

- 3.1 One of the key challenges facing the Council’s Housing Service is the impact of Welfare Reform. Work is on-going to help tenants who have been affected by the Social Sector Size Criteria. The WiseMove initiative to encourage tenants who are under-occupying to downsize is

proving successful - 7 tenancies downsized and over 40 more are on the register to downsize. The arrears of affected tenants are being carefully monitored and support is provided in the early stages. It is too early to draw any conclusions on the impact on tenants and their ability to meet their increased rent charge. However, the position to date is summarised in the Welfare Reform scorecard in Appendix 3.

- 3.2 New Homes – Contracts have now been agreed and let with regard to the development of new homes in Otterbourne and Itchen Abbas which will be available for letting in early 2014. Work is progressing well on bringing forward schemes at Victoria House, Winchester and Westman Road, Weeke for planning later in the year which will result in 40 new homes. The Council has an agreed programme which is on track to deliver over 200 houses within first five years, averaging 40 a year, which is ahead of initial proposals of 150 over 5 years averaging 30 a year.

4 Benchmarking and Value for Money

- 4.1 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.
- 4.2 The Council has completed very detailed benchmarking comparisons with other local authority landlords. 2011/12 results were discussed in report CAB2446(HSG) in December 2012. They can be viewed on the Council's website at:
<http://www.winchester.gov.uk/Housing/CouncilHousing/HousingPerformance/>
- 4.3 Winchester remains either in the top 25% or above average of landlords for most of its performance in 2011/12. The set of results against 2012/2013 performance will be available in September and published to tenants in the Annual Report in October 2013.

5 TACT Comment

- 5.1 The good performance and value for money achieved over the last year is really positive. TACT argued long and hard for the Council to be able to manage its own finances and the progress being made to increase programmes for tenants is noted. TACT remains active with Defend Council Housing and will continue to campaign for a fair and level playing field for Council tenants.

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 Housing Services Division

APPENDICES:








Appendix 1: Progress against Key HRA Business Plan Objectives.

Appendix 2: Landlord Services Performance Indicators

Appendix 3: Welfare Reform Scorecard





Housing Revenue Account Business Plan 2012-2013

CAB2495(HSG)
APPENDIX 1

Action Description	Action Desired Outcome	Status Progress	Status	Due Date	Notes
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	75%		31-Oct-2012	Tenant Scrutiny process implemented and working well, although it is still subject to post implementation review. Options for future Resident Involvement currently being considered by TACT
Commission Satisfaction Surveys for General Needs and Sheltered tenants in accordance with STAR criteria (replacement of STATUS)	Tenant satisfaction remains in top quartile for Council landlords nationally	100%		20-Jun-2013	Survey completed and results summarised in 2.1 above
Maintain and Improve Quality of Council Housing through an enhanced Maintenance and Renewals Programme	Properties maintained/improved in accordance with business plan assumptions	100%		31-Mar-2013	Repairs programme for 12/13 complete
Replace heating system in Winnall High Rise flats	Better quality of life; lower heating bills; reduced incidence of condensation	50%		31-Dec-2013	Scheme approved and planned for implementation in late 2013
Implement new Contract arrangements for Gas Servicing/Boiler Installations and for Frameworks for Repair and Painting	Successful implementation of contracts. Tenant satisfaction at 98% for all works. Key performance targets achieved	100%		31-Mar-2013	Contract awarded and significant savings achieved
Develop an Asset Management Strategy for the City Council's Housing Stock	Decent Homes maintained, Council makes best use of stock	30%		31-Jan-2013	Deferred to 2013/14. Stock survey delayed whilst IT systems are implemented fully. Will now commence July 2013.
Implement Revised Internal Decoration/Discretionary Works Programme	Properties maintained/improved in accordance with business plan assumptions	100%		31-Mar-2013	Discretionary works scheme developed and implemented by March 2013

Housing Revenue Account Business Plan 2012-2013

CAB2495(HSG)
APPENDIX 1

Develop policy/measures to address Under-Occupation and Incentivise "Down-sizing"	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	100%		31-Mar-2013	Scheme developed and approved by Cabinet (HSG) Ctte on 27/3/13
Implement Tenant Training Programme	Tenants have access to skills development to assist with maintaining tenancies	100%		31-Mar-2013	A range of events organised with A2 hsg, including training re getting ready for work/completing CVs and managing money
Ensure Compliance and gain accreditation with the Revised Respect Agenda for Housing	Service compliance with national standard, Tenants receive good quality services and are clear of how Council can support them	100%		31-Oct-2012	Respect Charter now signed up to. Recognition certificate received.
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	100%		31-Mar-2013	Tenancy Strategy approved by Cabinet (Hsg) Ctte in January 2013.

Action Status



Completed



Unassigned; Check Progress; Not Started



Cancelled
















Assigned; In Progress



Overdue

Landlord Performance Indicators 2012/13**CAB2495(HSG)
APPENDIX 2**

Short Name	2010/11	2011/12	2012/2013			Notes
	Value	Value	Value	Target	Status	
% non-decent council homes	0%	0%	n/a	0%		Next full House Conditions survey due 2013 will seek to reconfirm this
Local authority tenants' satisfaction with landlord services	85.4%	85.4%	88%	85%		
Current tenant rent arrears as a % of rent due	1.09%	1.11%	1.2%	1%		
% of responsive repairs jobs completed on time	91%	90.5%	90.6%	95%		1,824 jobs out of target from 19,579 appointments
Average number of days to complete responsive repairs	8	9	10	8		
Gas servicing - The % of homes with current gas servicing certificate	98.9%	99.9%	99.99%	100%		This is 2 cases done 2 days late. Currently 100% performance
% Stock empty at the end of the year	1.09%	1.1%	1.01%	1%		
Rent & charges lost through vacant dwellings (%)	1.12%	0.9%	0.62%	0.85%		The monetary value of this is currently £252k
Total number of tenancies/ licensees owing over 13 weeks rent	35	41	37			
Value of former tenant arrears	£179k	£180K	£198k	£160k		
Average re-let time for General Needs and Older Persons properties (in days)	25.63	19	20	22		
Average re-let time for General Needs properties (in days)	21.75	17.66	18.45	20		
Average re-let time for Older Persons properties (in days)	27.5	21	21.08	25		
Average re-let time for Hostels (in days)	32.1	23.89	18.19	20		

Landlord Performance Indicators 2012/13CAB2495(HSG)
APPENDIX 2**Landlord Services - General Quantitative Indicators/Service Volumes**

Description	2010/11	2011/12	2012/13
	Value	Value	Value
New tenancies - Waiting list	216	256	188
New tenancies – Transfers	72	136	85
New tenancies - Mutual Exchanges	79	94	96
No. of Introductory Tenancies commencements	196	236	181
Number of Evictions (rents)	5	6	1
Number of Evictions (nuisance)	2	3	2
Number of Evictions (Introductory Tenancy)	0	1	1
Number of Notices Seeking Possession (rents)	677	645	567
Number of Notices Requiring Possession (ITs)	5	6	9
Number of Notices Seeking Possession (nuisance)	10	8	16
Average time to resolve ASB case	New indicator from 12/13		14.25

Landlord Services – Disabled Adaptation Indicators

Description	2010/11	2011/12	2012/13
	Value	Value	Value
Total no. of tenants receiving adaptations	624	712	569
No. of level access showers installed	152	253	229
No. of stair lifts installed	17	7	14
No. of assisted access works completed	15	90	69
No of major building adaptations completed	1	4	0

Landlord Performance Indicators 2012/13CAB2495(HSG)
APPENDIX 2**Landlord Services - Quantitative Indicators/Service Volumes for Repairs**

MAJOR WORKS	2010/11			2011/12			2012/13		
	Number	Ave Value	Total	Number	Ave Value	Total	Number	Ave Value	Total
Heating upgrades	510	£2,548	£1,299,480	465	£2,608	£1,212,720	532	£2,853	£1,517,796
Kitchen upgrades	155	£3,846	£596,130	150	£4,238	£635,700	319	£4,317	£1,377,123
Window upgrades	54	£3,065	£165,510	78	£1,718	£134,004	56	£2,103	£117,768
Bathroom upgrades	202	£3,240	£654,480	136	£3640	£495,040	234	£3,001	£702,234
Insulation upgrades	179	£225	£40,275	183	£250	£45,750	145	£257	£37,265
Door upgrades	265	£520	£137,800	286	£535	£153,010	639	£650	£415,350
Cost of "Other" works			£2,579,000			£3,073,225			£2,876,543
Total Cost of Major Works	1365		£5,472,675	1298		£5,749,449	1925		£7,044,079

RESPONSIVE REPAIRS	2010/11		2011/12		2012/13	
	Number	Value	Number	Value	Number	Value
Responsive Repairs - No. of Emergency/Call Out jobs	4,575		4,652		5,557	
Responsive Repairs - No. of Urgent (5 day) jobs	6,330		6,368		6,767	
Responsive Repairs - No. of Routine (12 or 30 day) jobs	7,292		6,103		7,255	
Responsive Repairs - total no of jobs	17,137		15,826		19,579	
Responsive Repairs - Total value of Main Contractor work (Osbornes)		£780,000		£890,000		£1,195,964
Responsive Repairs - Total value of Main Heating Contract work (Liberty)		£225,000		£292,000		£336,860
Responsive Repairs - Total value of work to other contractors		£166,000		£142,000		£172,672
Responsive Repairs - total cost of jobs		£1,171,000		£1,324,000		£1,705,516
Responsive Repairs – Average cost per job		£68		£83		£87

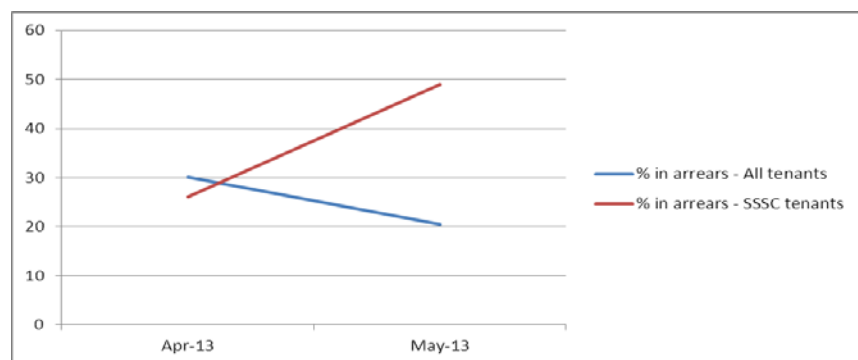
All Tenants

Level of Arrears	Tenancies	%
Not In Arrears	3959	79.5%
Less than £500	847	17%
Between £501 - £1000	106	2.1%
Between £1001 - £2000	62	1.2%
Over £2001	9	0.2%
TOTAL	4983	

Tenants affected by Social Sector Size Criteria

Level of Arrears	Tenancies	%
Not In Arrears	146	51%
Less than £500	119	42%
Between £501 - £1000	9	3%
Between £1001 - £2000	8	3%
Over £2001	2	1%
TOTAL	284	

Comparing the Arrears levels



The charts show that

- Of the Tenants affected 49% are in arrears compared to 21% with All Tenants (as expected as many have been on full benefit until now)
- However a disproportionate amount of those tenants affected by SSSC have arrears levels higher than £1000. (4% compared to all tenants – 1.2%) (again, as expected, as they have limited means to clear historic debts)
- Of the 119 affected tenants who have “Arrears less than £500” – 42% of those owe less than £100

Since making formal contact with those affected by SSSC, tenants have terminated their tenancies for the following reasons:

Reason for Termination	Number
Deceased	1
Transferred	5
Moved Area	1
Mutual Exchange	9
TOTAL	16

Actions taken

- 42 tenants who were initially assessed as affected are now not at risk due to amended circumstances.
- At least 21 of those affected have registered on Homeswapper.co.uk for a mutual exchange.
- At least 6 of those affected have already downsized

Wise-Move – downsizing initiative

- 33 tenants are currently in consultation about downsizing through this initiative
- 3 tenants have downsized and benefited from the incentive