

CABINET (HOUSING) COMMITTEE

9 July 2014

2013/14 PERFORMANCE MONITORING OUTTURN - HOUSING REVENUE
ACCOUNT SERVICES

REPORT OF ASSISTANT DIRECTOR (CHIEF HOUSING OFFICER)

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Recent References

CAB2445(HSG) - Housing Revenue Account Budget 2013/14 and Business Plan –
2013/14 to 2043/44 dated 30 January 2013

EXECUTIVE SUMMARY:

This report sets out the performance outturn information for 2013/14 against key performance indicators and the Housing Revenue Account (HRA) Business Plan.

2013/14 saw a decrease in rent arrears despite the introduction of Welfare Reform which was expected to have a negative effect on arrears.

The year has seen the positive implementation of the Wise Move and Money Advice service and the completion of the stock condition survey. The repairs programme was fully committed and void performance maintained at similar levels to 2012/13.

Some works have been delayed, including the loft conversion programme and the Stanmore Estate Improvement programme 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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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 Housing function.

2 Progress against Business Plan targets and objectives

- 2.1 For HRA services, the main successes of the year have included the following:
- a) Arrears and the introduction of Welfare Reform– The impact of Welfare Reform was predicted to increase arrears from 1.2% to 1.5%. However, the planned approach to managing arrears has meant that arrears have gone down to 0.9%. This has been achieved by firm measures to manage creeping arrears, the Citizens’ Advice Bureau Money Advice Service and early court action. The number of tenants using the Money Advice Service has remained at capacity over the year. A summary of the impact of Welfare Reform on City Council tenants is set out in Appendix 3.
 - b) Wise Move – As part of the package of measures to support tenants affected by Welfare Reform, the “Wise Move” scheme to help and assist tenants to move to smaller properties was launched and has proved very successful, with more than 60 tenants being helped to move in the first year.
 - c) Repairs Programme – Capital and revenue repairs programmes were fully committed in 2013/14. Details of volumes of works are set out in Appendix 2 to this report. Despite an increase of £4m per annum, staff resources employed in delivering the programme remain the same as in 2012. This is under review

and some recommendations for change will be brought to the October meeting of this Committee.

- d) Voids – Performance has continued to remain positive during 2013/14. The average number of days void overall this year is 20.2 days .General Needs re-let times average at 19 days and 21.5 days for Sheltered Housing. This is due to continual reviewing of the void process to eliminate delay where possible.
- e) Asset Management – The Stock Condition survey has been completed with over 95% of properties being surveyed in 2013/14. The results are now being validated and will inform revised programmes which will be reported to this Committee later in the year.
- f) Estate Improvements Programme – This programme continues to be very popular. Areas which have benefited from improvements include Alresford, Stanmore, Owslebury, Wickham, Twyford and Winchester with schemes such as improved parking facilities, lighting and door entry systems

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

- a) Grounds Maintenance – Complaints from tenants regarding grounds maintenance remain high and tenant monitors are working with officers to review compliance with contract schedules. The Council has recently revised client management and monitoring arrangements.
- b) New Homes Delivery – Severe weather resulted in delays to schemes in Otterbourne and Itchen Abbas, both of which are nearing completion. In February, Council approved a detailed 5 year programme to deliver over 200 homes.
- c) Loft Conversion Programme – Over 40 tenants were initially contacted and a number of properties were assessed to see if a conversion would be appropriate. 8 schemes are currently being progressed although works will not be completed until September 2014.
- d) Winnall Heating – Proposals for new heating systems to the flats at Winnall have been delayed whilst officers have worked with energy suppliers to seek additional funding for the programme. Funding for external wall insulation has not been successful following Government changes. Works to install the gas main will commence shortly.
- e) Estate Improvements Programme – Although many schemes were delivered in 13/14, there were also some delays with some schemes. These include the improvements at Woolford Close which have seen the original project brief increase which now

requires more input from Planning. The parking at Winnall flats was delayed so it did not clash with the Gas improvement programme. There were also some delays with other parking improvement schemes. This was due to the delays caused by gaining information from external agencies. The process has now been adapted so that consultation doesn't start until all the information about the land has been obtained.

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 The Council has completed very detailed benchmarking comparisons with other local authority landlords. 2012/13 results can be viewed on the Council's website at:
<http://www.winchester.gov.uk/Housing/CouncilHousing/HousingPerformance/>
- 3.3 Winchester remains either in the top 25% or above average of landlords for most of its performance in 2012/13. The set of results against 2013/2014 performance will be available in September and published to tenants in the Annual Report in October 2014.

4 TACT Comment

- 4.1 TACT notes the very positive performance for arrears and voids. Tenants remain concerned about the problems with grounds maintenance, particularly as many pay for this service directly through their service charge. The full detail of this report will be shared with TACT at its next meeting.

OTHER CONSIDERATIONS:

5 COMMUNITY STRATEGY AND PORTOLIO PLANS (RELEVANCE TO):

- 5.1 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.

6 RESOURCE IMPLICATIONS:

- 6.1 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.

7 RISK MANAGEMENT ISSUES

- 7.1 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 Business Plan Objectives.

Appendix 2: Landlord Services Key Performance Indicators

Appendix 3: Welfare Reform Scorecard







Housing Revenue Account Business Plan 2013-2014

CAB2598(HSG)
APPENDIX 1


Action Description	Action Desired Outcome	Status	Dates Due Date	Notes & History Latest Note
Ensuring Value for Money	Tenants informed of key performance and have opportunity to challenge/scrutinise services Operating costs compare well with other providers (aim to be below average)		31-Dec-2013	Housemark benchmark reports completed and on Council website. Unit costs remain below average for sector.
Deliver the approved New Homes Programme	At least 300 new Council Homes by 2024		31-Mar-2024	Programme approved and clarified in Business Plan - 3 main schemes all to commence in 2014/15.
Deliver an enhanced maintenance programme for Council housing stock	All kitchens less than 20 years old and all bathrooms less than 30 years old by 2023 All heating systems less than 15 years old by 2023		31-Mar-2023	Programme on track
Making Best Use of Existing Housing Stock	100% Decent Homes confirmed and clear investment plans set out for whole life of business plan 8 families have living conditions improved and are no longer statutorily "overcrowded"		31-Mar-2014	Awaiting results from stock survey. Loft conversion programme progressing with schemes due for completion by Sept 14
Improving the energy efficiency of the Housing stock	Tenants enjoy improved heating and living conditions and reduced energy bills Heating systems and energy bills improved for tenants in rural areas.		31-Mar-2014	472 heating upgrades completed in 2013/14.
Review Supporting People Floating Support contracts and options for future funding of Sheltered Housing	Residents consider service offers value for money		31-Jul-2013	Currently subject to review in light of recent funding decisions by Hampshire County Council
Developing Extra Care Provision	Scheme fully converted to Extra Care and care package for all residents agreed Appropriate care in place for all residents Increasing demand for Extra Care met and 50 new homes built		31-Mar-2016	Works underway at Matilda Place with a September completion date. Plans for new Extra Care scheme in Winchester progressing.
Programme of adaptation and decoration to be drawn up for all Sheltered Housing schemes	Attractive schemes with well used and modern communal facilities		31-Mar-2014	2013/14 programme dominated by works to Matilda Place detailed above. Programme for 2014/15 currently being drawn up.

Housing Revenue Account Business Plan 2013-2014
















CAB2598(HSG)
APPENDIX 1

Action Description	Action Desired Outcome	Status	Dates Due Date	Notes & History Latest Note
Mitigate impact of welfare reform on Council tenants	Tenants have access to good quality advice and support Rent arrears maintained at less than 2.5% of rent roll by March 2014.		31-Mar-2014	Money advice service and Wise Move scheme set up. All tenants affected by size criteria and benefit cap have been supported with advice and where appropriate, discretionary payments. Arrears at 0.9%
Addressing Under Occupation	At least 50 family homes made available as tenants move to more appropriate accommodation		31-Mar-2014	Wise move scheme launched and working well. Over 60 tenants supported to move
Promoting Resident Involvement	Tenants can scrutinise Council services effectively Housing services continue to take full account of tenant views and aspirations		31-Mar-2014	Tenant scrutiny working well. Independently reviewed and changes to process now implemented. TACT constitution under review.
Addressing Deprivation and Promoting Health and Well being	Positive engagement from tenants in targeted areas Deprivation indices improved in medium term		31-Mar-2014	Active Lifestyles programme progressing well with health walks and exercise programmes held regularly on city estates..
Improving standards of Grounds Maintenance and Communal Cleaning	Contract quality standards achieved Tenants satisfaction with Estates and neighbourhood above 80% Tenant satisfaction with cleaning service improved		31-Oct-2013	Contract schedules still not being adhered to. New monitoring arrangements set up with over 40 tenant monitors now assisting the process..
Estate Improvement Programme	Tenants satisfaction with Estates and neighbourhood above 80%		31-Mar-2014	Large schemes deferred to 2014/15 (Winnall/Woolford). Remainder of programme on track.

 Completed

 Assigned; In Progress

Landlord Performance Indicators 2013/14**CAB2598 (HSG)
APPENDIX 2**

Short Name	2011/12	2012/13	2013/2014			Notes
	Value	Value	Value	Target	Status	
% non-decent council homes	0%	n/a	0%	0%		Work to be done to confirm results from Recent House Conditions survey
SAP rating	n/a	n/a	66.72	70.4		The target is based on top quartile of other Local Authorities
Tenants' satisfaction with landlord services	85.4%	86.42%	86.42%	85%		Last survey was done Feb 2013
Current tenant rent arrears as a % of rent due	1.11%	1.2%	0.9%	1.5%		Total rent outstanding £191k. Very positive figure partly due to 2 rent free weeks at end of year
% of responsive repairs jobs completed within target	90.5%	90.6%	86%	90%		This is currently being reviewed
Average number of days to complete responsive repairs	9	10	8.48	8		As above
Overall level of satisfaction for repairs jobs	new	new	97.95%	95%		32,164 jobs
Repairs jobs completed within 1 visit	new	new	81%	80%		94% within 2 visits
Gas servicing - The % of homes with current gas servicing certificate	99.9%	99.99%	99.99%	100%		1 certificate was outstanding at the end of the year
% Stock empty at the end of the year	1.1%	1.01%	0.93%	1%		
Rent & charges lost through vacant dwellings (%)	0.9%	0.62%	0.5%	0.85%		The monetary value of this £157k
Total number of tenancies/ licensees owing over 13 weeks rent	41	37	35			
Value of former tenant arrears	£180K	£198k	£202k	£160k		Limited staff resources to support this
Average re-let time for General Needs and Older Persons properties (in days)	19	20	20.2	19		
Average re-let time for General Needs properties (in days)	17.66	18.45	19.06	18.5		
Average re-let time for Older Persons properties (in days)	21	21.08	21.57	20		

Landlord Performance Indicators 2013/14CAB2598 (HSG)
APPENDIX 2**Landlord Services - General Quantitative Indicators/Service Volumes**

Description	2010/11	2011/12	2012/13	2013/14
	Value	Value	Value	Value
New tenancies - Waiting list	216	256	188	190
New tenancies – Transfers	72	136	85	86
New tenancies - Mutual Exchanges	79	94	96	106
No. of Introductory Tenancies commencements	196	236	181	182
Number of Evictions (rents)	5	6	1	2
Number of Evictions (nuisance)	2	3	2	1
Number of Evictions (Introductory Tenancy)		1	1	0
Number of Notices Seeking Possession (rents)	677	645	567	674
Number of Notices Requiring Possession (ITs)			9	12
Number of Notices Seeking Possession (nuisance)	10	8	16	17
Average time to resolve ASB case			100 days	208 days

Landlord Services – Disabled Adaptation Indicators

Description	2010/11	2011/12	2012/13	2013/14
	Value	Value	Value	Value
Total no. of tenants receiving adaptations	624	712	569	522
No. of level access showers installed	152	253	229	233
No. of stair lifts installed	17	7	14	25
No. of assisted access works completed	15	90	69	42
No of major building adaptations completed	1	4	0	0

Landlord Performance Indicators 2013/14**CAB2598 (HSG)
APPENDIX 2****Landlord Services - Quantitative Indicators/Service Volumes for Repairs**

MAJOR WORKS	2011/12			2012/13			2013/14		
	Number	Ave Value	Total	Number	Ave Value	Total	Number	Ave Value	Total
Heating upgrades	465	£2,608	£1,212,720	532	£2,853	£1,517,796	472	£2,244	£1,059,256
Kitchen upgrades	150	£4,238	£635,700	319	£4,317	£1,377,123	470	£4,171	£1,960,158
Window upgrades	78	£1,718	£134,004	56	£2,103	£117,768	7	£2,200	£15,399
Bathroom upgrades	136	£3640	£495,040	234	£3,001	£702,234	395	£2,973	£1,174,455
Insulation upgrades	183	£250	£45,750	145	£257	£37,265	132	£241	£31,798
Door upgrades	286	£535	£153,010	639	£650	£415,350	650	£599	£389,471
Cost of "Other" works			£3,073,225			£2,876,543			£2,639,463
Total Cost of Major Works	1298		£5,749,449	1925		£7,044,079	2126		£7,270,000

RESPONSIVE REPAIRS	2011/12		2012/13		2013/14	
	Number	Value	Number	Value	Number	Value
Responsive Repairs - No. of Emergency/Call Out jobs	4,652		5,557		6276	
Responsive Repairs - No. of Urgent (5 day) jobs	6,368		6,767		7326	
Responsive Repairs - No. of Routine (12 or 30 day) jobs	6,103		7,255		7129	
Responsive Repairs - total no of jobs	15,826		19,579			
Responsive Repairs - Total value of Main Contractor work (Osbornes)		£890,000		£1,195,964		£1,403,079
Responsive Repairs - Total value of Main Heating Contract work (Liberty)		£292,000		£336,860		£335,822
Responsive Repairs - Total value of work to other contractors		£142,000		£172,672		£150,609
Responsive Repairs - total cost of jobs		£1,324,000		£1,705,516		£1,889,510
Responsive Repairs – Average cost per job		£83		£87		£91

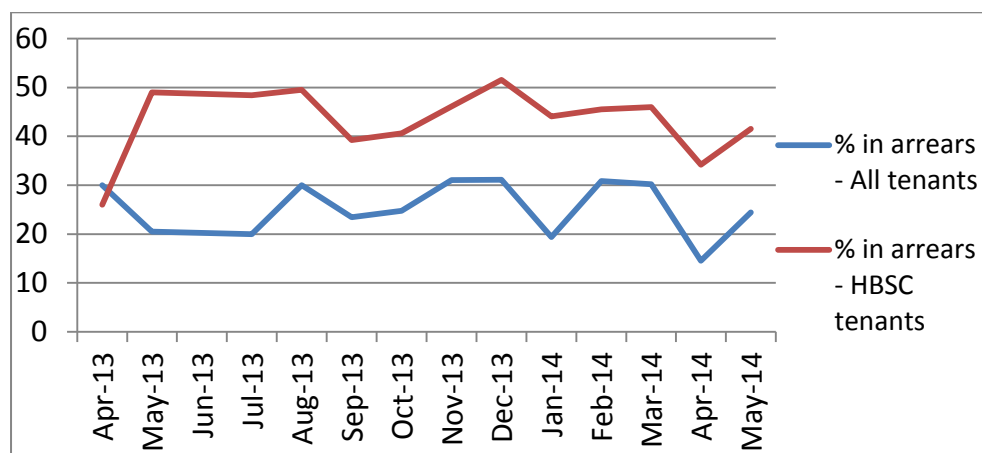
All Tenants

Level of Arrears	Tenancies	%
Not In Arrears	3754	75.55
Less than £500	1088	21.90
Between £501 - £1000	70	1.41
Between £1001 - £2000	43	0.87
Over £2001	14	0.28
TOTAL	4,969	

Tenants affected by Social Sector Size Criteria

Level of Arrears	Tenancies	%
Not In Arrears	138	58.47
Less than £500	84	35.59
Between £501 - £1000	9	3.81
Between £1001 - £2000	4	1.69
Over £2001	1	0.42
TOTAL	236	

Comparing the Arrears levels



The charts show that:

- Of the Tenants affected 41.53% are in arrears compared to 24.45% of All Tenants
- The value of arrears for affected tenants is £30,475
- Of the Tenants affected,90 (38%) have made a claim for Discretionary Housing Payment DHP and of these 56 have been successful (24%).

Tenants affected are being served with Notices of Seeking Possession where appropriate. All requests to serve an NSP must be approved by a manager.

(Numbers of NSPs served to be provided in future together with any further action, i.e. court proceedings).

Benefit Cap

- 4 Council tenants are currently affected by the Cap.

Wise-Move – downsizing initiative

- As at 13 May 2014, 60 tenants were in consultation about downsizing through this initiative
- 71 tenants had successfully downsized and benefited from the incentive, 32 of which were previously affected by the SSSC.
- 6 tenants were in the moving phase in that they had been offered a property or had a mutual exchange approved.