

ANNEX A



***Building Sustainable Communities***  
**Housing Revenue Account Business Plan**  
**2006/2007 – 2008/2009**



**July 2006**

## **Contents**

<b>Foreword</b>	<b>Page iii</b>
<b>Glossary</b>	<b>Page iv</b>
<b>List of Figures</b>	<b>Page vi</b>
<b>Summary</b>	<b>Page vii</b>
<b>Introduction</b>	<b>Page 1</b>
Setting the scene	
The Business Plan's objectives	
The corporate agenda and wider strategic context	
Consultation	
<b>Managing the housing service</b>	<b>Page 8</b>
Operational management of the housing stock	
The housing stock	
Lettings and turnover	
Termination reasons	
Demand for council housing	
Allocating council housing	
Void management	
Rent collection	
Customer Rewards & Incentives	
Estate management	
E-Government	
Repairs and maintenance	
Council Adaptations	
Energy efficiency	
Tenant involvement	
Tenant satisfaction	
Performance and equality monitoring	
Training and development	

## **Investing in council housing**

**Page 29**

- Condition of the housing stock
- Meeting the Decent Homes Standard
- Investment options appraisal
- Asset management
- Overview of the financial position

## **Conclusion**

**Page 40**

## ***Appendices***

- Appendix I: Tenants' Choice Modernisation Scheme<sup>1</sup>**
- Appendix II: Summary of 2004 Stock Condition Survey**
- Appendix III: York Standard**
- Appendix IV: Investment Profile for Decent Homes, Tenants' Choice and York Pride NOT YET AVAILABLE**
- Appendix V: HRA Revenue Summary 2005/2006 – 2010/2011**
- Appendix VI: Capital Summary 2005/2006 – 2010/2011**
- Appendix VII: Action Plan 2006/2007 – 2008/2009**
- Appendix VIII: Further information**

---

<sup>1</sup> This is current brochure, which will be revised following changes to processes.

## **Foreword**

Following consultation, in 2002, on the future of the council housing stock in York, tenants' gave an overwhelming endorsement of the housing service when 93.4% of respondents gave their first choice preference to be 'that the council continue to own and manage the stock'. The Council's Executive supports the tenants' view and will continue to work closely with them through residents' associations and the York Federation of Residents and Community Associations to improve the service and invest in their homes and communities.

We are committed to meeting the Decent Home Standard and achieving this by 2010. The York Standard Tenants' Choice Modernisation Scheme started in 1989, continues to deliver the majority of improvement and modernisation work. York Pride invests in communities and neighbourhoods encouraging people to be involved in, and take responsibility for, decision on the future of their local area. We are also acutely aware of other housing priorities, such as the shortage of affordable housing in York, ensuring vulnerable people in the private sector have a decent home, tackling homelessness and are committed to tackling these through both the local and regional housing strategies, a new Housing Strategy for York, has been published in 2006.

Service improvement is a key priority to increase satisfaction and efficiency. The Housing Repairs Partnership is an example of an innovative partnering approach to the deliver of day-to-day repairs. We are particularly pleased that this has been developed with the involvement of tenant representatives and was approved by the Council Executive in November 2004 and commenced July 2005. The meetings of the Executive Member for Housing are regularly updated and following the most recent update in October 2006 have authorised the extension of the Partnership to include the adaptation of Council properties.

We are committed to delivering an excellent housing service for York. The tenants have endorsed this and we have the staff and commitment to deliver it.

Councillor Sue Sunderland

**Executive Member for Housing**

## Glossary

<b>AHSM</b>	Annual Housing Service Monitor, a face to face tenant satisfaction survey which is undertaken by the Council every year
<b>ALMO</b>	Arms Length Management Organisation
<b>BVPI</b>	Best Value Performance Indicator, a performance indicator which local authorities are required to report to the Audit Commission
<b>CHTF</b>	Community Housing Task Force
<b>DCLG</b>	Department for Communities and Local Government, created in May 2006 (replacing the ODPM) with a remit to promote community cohesion and equality, as well as responsibility for housing, urban regeneration, planning and local government
<b>DHS</b>	Decent Homes Standard, the Government requires all local authority and housing association stock to meet this standard by 2010. The fitness criteria has now been replaced by HHSRS (Housing Health and Safety Rating System)
<b>EIG</b>	Estate Improvement Grant
<b>EMAP</b>	Meeting of Executive Member for Housing and Advisory Panel
<b>HRA</b>	Housing Revenue Account
<b>LSVT</b>	Large Scale Voluntary Transfer
<b>NPU</b>	Neighbourhood Pride Unit

<b>NROSH</b>	National Register of Social Housing, database of social housing developed by the ODPM
<b>ODPM</b>	Office of the Deputy Prime Minister (since May 2006 replaced by the DCLG)
<b>ONS</b>	Office for National Statistics
<b>PFI</b>	Private Finance Initiative
<b>RSL</b>	Registered Social Landlord, the technical name for a housing association registered with the Housing Corporation
<b>RTB</b>	Right to buy
<b>Tenant Compact</b>	Agreement between tenants and landlord (the council) detailing service standards
<b>YFoRCA</b>	York Federation of Residents and Community Associations
<b>York Pride</b>	Initiative to encourage residents to take pride in their city and neighbourhood
<b>York Standard</b>	Informally known as “Tenants’ Choice”, this standard is the approach City of York Council uses to improve properties and is delivered by the Tenants’ Choice Modernisation Scheme

## List of Figures

- Figure 1a: Associated strategies, policies and plans
- Figure 1b: City of York Council Corporate Priorities
- Figure 2: Breakdown of council owned stock at 1 April 2006
- Figure 3: Proportion of stock type
- Figure 4: Lettings and turnover
- Figure 5: Breakdown of letting type by property type during 2005/06
- Figure 6: Termination reasons by property type during 2005/06
- Figure 7: Demand shown by the housing register at April 2006
- Figure 8: Average relet times
- Figure 9: Average weekly rents during 2005/2006
- Figure 10: Rent collection and arrears
- Figure 11a: Percentage of responsive repairs completed within timescale
- Figure 11b: Average time taken (in days) to complete responsive repairs
- Figure 12: Tenants' Choice Improvements 1989/1990 – 2005/06
- Figure 13: Window replacement programme 1989/1990 – 2005/06
- Figure 14: Capital Expenditure 2002/2003 – 2005/2006
- Figure 15: Dwellings failing the Decent Homes Standard
- Figure 16: Dwellings failing the Decent Homes Standard by criteria
- Figure 17: Targets to reduce numbers of non-decent homes 2005/2006 – 2010/2011
- Figure 18: Investment profile to meet Decent Homes Standard 2005/2006 – 2010/2011
- Figure 19: HRA Capital Investment Profile 2005/2006 – 2010/2011

## Summary

The HRA Business Plan aims to *provide well-managed and maintained affordable rented housing*. This involves delivering two main objectives:

- Managing the housing service so as to encourage and support sustainable communities; and
- Investing in council housing to meet the Decent Homes Standard by 2010

City of York Council's housing service is striving for excellence in all areas of service delivery. In 2002 the Audit Commission's Housing Inspectorate assessed the Landlord service as two Star or good<sup>2</sup>.

At April 2006 council owned stock totalled just over 8,000 properties. Approximately 13% of stock currently fails the Decent Homes Standard (DHS). To meet the York Standard which exceeds the Governments Decent Homes Standard will cost £43.7m (for a summary of the York Standard, see Appendix III.)

The council has undertaken an investment options appraisal: involving two stock condition surveys (one in 2001 and a further in 2004);

---

<sup>2</sup> Audit Commission assessments can range from 0 star to 3 star (excellent)

and a postal survey of all tenants in 2002. The results of the stock condition surveys, coupled to financial projections, show that the Council has sufficient finances for its housing stock to meet the DHS by 2010. Of those tenants who responded to the postal survey 93.4% were in favour of the Council retaining both ownership and management of the stock.

A report setting out the investment options (large scale voluntary transfer, arms length management organisation, private finance initiative and stock retention) was subject to consultation with tenant representatives in March 2005 and was presented to the Executive Member for Housing and Advisory Panel in April 2005. Both tenants and elected Members wished to retain ownership and management of the housing stock.

Following the decision to retain the ownership of housing stock, 2005/2006 saw a restructure of the housing service. The service moved from a structure, which separated the provider and the strategic functions (previously established to deliver the compulsory competitive tendering regime), to a Housing Service with three divisions:

- **Housing Operations**
  - council house allocations
  - estate management



- customer services
- rent collection/arrears recovery
- homelessness

- **Strategy and Enabling**

- housing strategy
- business planning
- housing association development
- Service development & training
- Private sector renewal & adaptations

- **Asset Management**

- Asset management strategy planning
- responsive repairs
- planned maintenance

Each division is headed by a group manager, reporting to the Head of Housing Services, giving the service the capacity to drive forward service development and continuous improvement across housing as a whole.

Council housing makes up 10% of York's housing stock, in the main it is in very high demand, especially from homeless households. However, changing demand for certain flats and bedsits will require action in terms of re-designation of properties. Key to managing both investment priorities and demand issues is the development of a comprehensive asset management plan. A revised allocations policy was introduced in May 2006 and 2006/2007 will see the

completion of a system thinking review of the voids process.

A partnership agreement between the council's Housing Services and Neighbourhood Services departments to deliver responsive repairs came into effect in July 2005. The main objective behind the 'repairs partnership' is to increase the quality of service to tenants and deliver this in the most efficient way.

The council has a strong track record in consulting with residents and encouraging them to participate in the management of their homes. The tenant participation and community development function is now delivered through the Council's Neighbourhood Services directorate. Nineteen residents' associations cover around 75% of council properties. The 2005 tenant satisfaction survey indicated that 78% of tenants were satisfied with the overall service provided by the Council.

Housing Services have a robust performance management framework ranging from an overarching service improvement plan, high level service plans (covering each the housing revenue account (HRA) and general fund functions), team plans and individual targets. These are monitored through regular meetings with staff. Members receive reports on Service plan progress three times per year.

## Introduction

### Setting the scene

The unitary authority of City of York Council came into effect in April 1996. The Council covers 105 square miles, comprising the urban city centre and suburbs, with a hinterland of villages.

The 2005 mid year population estimate for the City of York was 186,900: and 64.2% are of working age<sup>3</sup>. 2004 estimates are that the Black and Minority Ethnic population is 3.73% (6.86% including White Non-British) The population of the city is increasing and is projected to rise to 205,200 by 2028<sup>4</sup>. The number of older persons aged 75 and over is projected to reach 24,200 by 2028 (an increase of 54% from 2006 estimates). Increasing life expectancy and an increase in the number of households is placing more and more pressure on housing.

The Annual Survey of Hours and Earnings indicates that the median full-time wage<sup>5</sup> of

City of York residents was £23,987 in 2005.

House prices have doubled in the last 5 years, with the average sale price for a semi-detached or terraced property around £174,000<sup>6</sup>. Private sector rents for two bedroom unfurnished properties vary between £440 and £800 per month<sup>7</sup>, as compared with average housing association accommodation and local authority rents of £245<sup>8</sup> and £236<sup>9</sup> per month respectively.

At just over 8,000 properties, council owned accommodation makes up approximately 10% of the City's housing stock, with the ratio of houses to flats being approximately 50:50. A further 5% of housing stock is owned by housing associations.

Since April 2000 over 700 council properties have been sold through the right

---

<sup>3</sup> Office for National Statistics  
([www.statistics.gov.uk](http://www.statistics.gov.uk))

<sup>4</sup> 2003-based sub-national population projections  
(ONS)

<sup>5</sup> Gross for full-time employee jobs

---

<sup>6</sup> Land Registry sales information from January to March 2006 ([www.landreg.gov.uk](http://www.landreg.gov.uk))

<sup>7</sup> Sample of asking prices found in York Evening Press of 18 May 2006

<sup>8</sup> Rent for 2003/2004, does not include any service charge element (Source 72: Local Guide to Rents, Housing Corporation, 2004)

<sup>9</sup> Rent for 2006/2007, does not include any service charge element

to buy. In part this loss has been compensated by the completion of a similar number of housing association affordable dwellings for rent (averaging over the same period). However, the 2002 housing needs survey estimates that during 2002 to 2007 the city requires an additional 954 affordable homes every year in order to meet the backlog of existing and projected housing need. This has been supplemented in June 2006 by an interim desktop Housing Market Assessment which revealed a need for an estimated 869 units of affordable housing per annum of which a recommended 60% were for rent, The council is in the process of commissioning a further assessment questioning a sample of 25% of all York residents, later in 2006.

The full context and background of strategic housing issues in York and the wider region are set out and considered in the council's Housing Strategy 2006/2007 – 2008/2009. There are, however, some specific issues that impact on the council's housing service: Each year York receives nearly 5 million tourists, placing pressure on the balance between the requirements of residents and the economic benefits that tourism can bring. There are estimated to be 13,000 full time students in York; all

three of the main colleges and the university anticipate some increase in student numbers, putting additional pressure on the private rented sector, in particular if there is no equivalent increase in campus or college owned accommodation.

Increasing demand and decreasing affordability mean that maximising the supply of affordable housing is extremely important. In the main additional affordable housing is provided through planning gain, by way of a requirement upon private developers to transfer a proportion of homes to a housing association.

York faces the same issues (of a limited supply of affordable housing coupled with high house prices) as its neighbouring authorities, particularly to the north including Harrogate and north Leeds. This area of the region is being considered as part of the work of the Regional Housing Board, with the development of the Golden Triangle<sup>10</sup> project to enable the delivery of additional affordable homes.

---

<sup>10</sup> The Golden Triangle is an area covering Harrogate, North Leeds and York which has high house prices and high demand.

## **The Business Plan's objectives**

The HRA Business Plan aims to *provide well-managed and maintained affordable rented housing*. This involves delivering two main objectives:

- **Managing the housing service:** to encourage and support sustainable communities; and
- **Investing in council housing:** to meet the Decent Homes Standard by 2010

Together, these objectives form the basis of the Business Plan. *Managing the housing service* covers:

- Operational management;
- Stock profile;
- Lettings and stock turnover;
- Demand for housing;
- Allocating housing;
- Estate management;
- Responsive repairs and energy efficiency;
- Tenant participation and satisfaction;
- Performance and equality monitoring;
- Training and development

*Investing in council housing* looks at:

- Stock condition;

- Investment options;
- Asset management; and
- Investment resources

Sir Peter Gershon's review of public sector efficiency, *"Releasing Resources for the Frontline: Independent Review of Public Sector Efficiency"* sets out how the social housing sector should make efficiency savings. The housing service seeks to achieve savings through the following activities:

- procurement of new housing supply through partnering arrangements;
- procurement of housing capital works through the review of all contractual arrangements;
- delivery of housing management and maintenance services; and
- procurement of commodity goods and services.

The Business Plan seeks to achieve efficiency and continuous service improvement. This is an over-arching objective, future priorities to ensure service improvement are summarised at in the blue text boxes in this document. The full detailed Improvement Plan is attached at Appendix VII.

## The corporate agenda and wider strategic context

The Council has just launched in October 2006, a new Corporate Strategy 2006-9

To deliver these aims and objectives the council has set out 13 priority areas for action or 'improvement statements'. A customer friendly summary document setting out the reasons for these priorities and key actions for improvement has been produced. Each of the 13 priorities reflects one of the 5 priorities of 'Without Walls' York's Community Strategy.

The housing service has a key role in particular in contribution to the following improvement priorities:

- 'Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible spaces.'
  
- 'Reduce the actual and perceived impact of violent, aggressive and nuisance behaviour on people in York'

- 'Improve the quality and availability of decent, affordable homes in the city. '

Key in this is to reduce the number of council homes below the decency standard, with a target of improving 2426 homes during 2006/2007. Longer term there is an action to provide affordable homes according to better analysis and understanding of peoples housing needs.

Forming part of the Council's wider Housing Strategy, the Business Plan seeks to deliver the corporate objective to, *"Provide a high quality housing landlord service meeting the aspirational expectation of the local community in both fabric condition and housing management standards"*. Figure 1a shows the links between the various local housing strategies, policies and plans: the Business Plan covers policies and plans which directly relate to local authority housing; with the Plan forming an integral part of the Housing Strategy which covers all housing tenures. Figure 1b shows the thirteen corporate priorities.

The aim of the wider housing strategy is to encourage, and where possible directly influence, the delivery of better housing in York in a way which also supports other council, regional and national objectives. The housing issues affecting York extend beyond the local authority boundaries and an increasingly important aspect is the impact of the regional housing strategy, City regions and the sub regional priorities of the North Yorkshire Housing Forum. It is increasingly important that housing and planning work closely together, reflecting the merger, which has occurred between the regional housing, and planning boards. However, at a regional and local level the objectives of these key areas can contradict. For example, rising land and house prices have led to an acute shortage of affordable homes and an understandable pressure to build more, but there are also environmental pressures to restrict new housing development and regional planning guidance limits the overall number of additional homes.

It is vital that the Business Plan is considered within this wider strategic context, as the council's housing service is a key housing provider in the city, with the

outputs of the service directly affecting 10% of the total housing stock.

### **Consultation, monitoring and review**

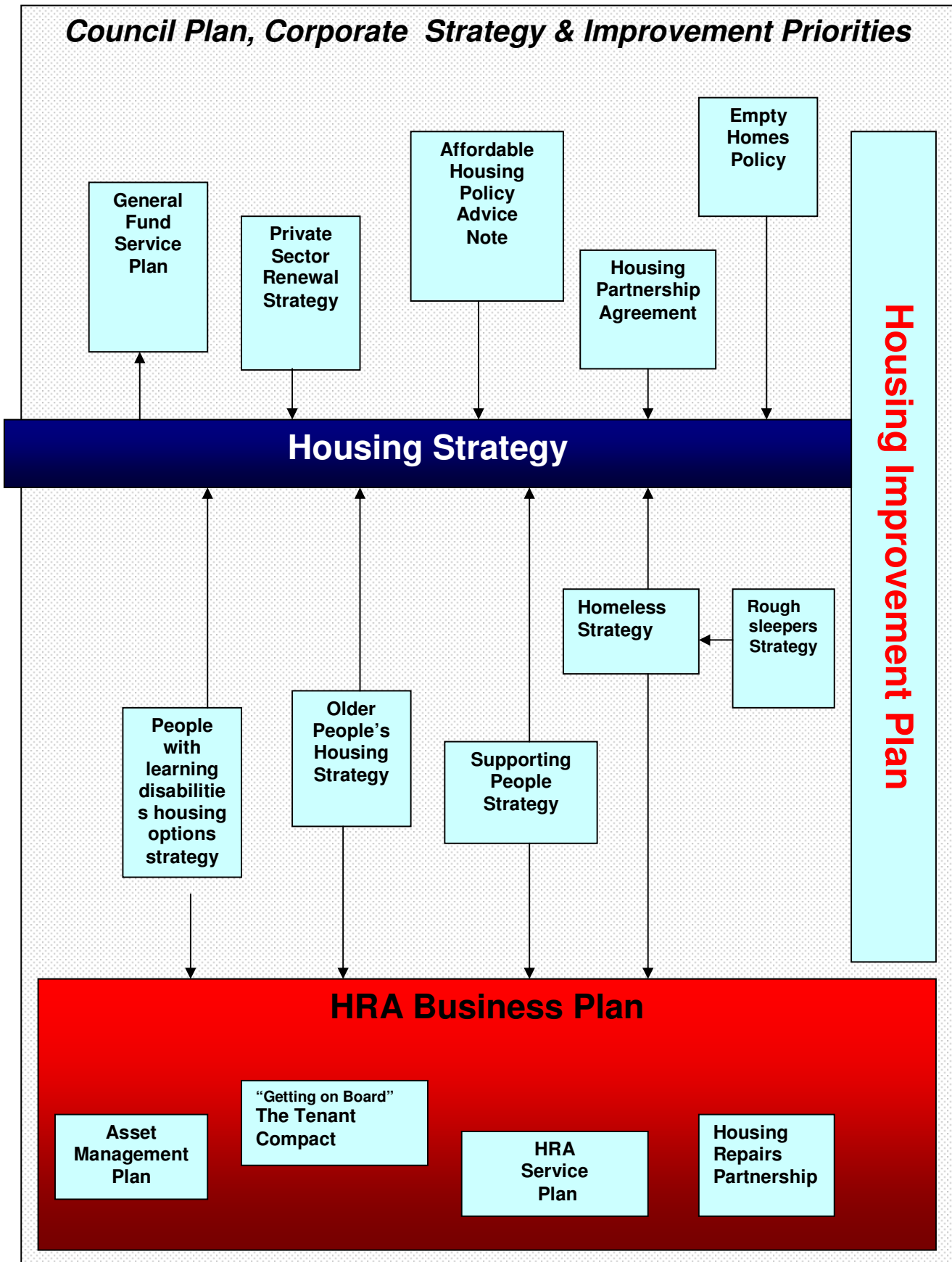
The consultation, monitoring and review of the Business Plan is a continuous process.

It has been presented at meetings of:

- the York Federation of Residents and Community Associations; and
- the Executive Member for Housing and Advisory Panel, which contains two co-opted tenant representatives.

Monitoring of the Action Plan will include customer involvement through the Federation and the two co-opted tenant representatives.

Figure 1a: Associated strategies, policies and plans



**Figure 1b Corporate Priorities**

<b>City of York Council – 13 Priorities<sup>11</sup></b>		
<b>PRIORITIES WHERE HOUSING HAS A DIRECT IMPACT</b>	<b>Improve the quality and availability of decent affordable homes in the City</b>	<b>Reduce the actual and perceived impact of violent, aggressive and nuisance behaviour on people in York.</b>
		<b>Improve the actual and perceived condition and appearance of the city's streets, housing estates and publicly accessible spaces</b>
<b>INDIRECT IMPACT</b>	Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are poorest.	Decrease the tonnage of biodegradable waste and recyclable products going to landfill
	Improve the life chances of the most disadvantaged children, young people and families in the city.	Increase the use of public and other environmentally friendly modes of transport
	Improve the contribution that Science City York makes to economic prosperity	Increase people's skills and knowledge to improve future employment prospects
<b>COUNCIL WIDE PRIORITIES</b>	Improve our focus on the needs of the customers and residents in designing and providing services.	Improve the way the council and its partners work together to deliver better services for the people who live in York.
	Improve leadership at all levels to provide clear, consistent direction to the organisation.	Improve efficiency and reduce waste to free-up more resources.

<sup>11</sup> City of York Council Corporate Strategy 2006-2009



## Managing the housing service

### ***Key Issues & Aims***

- 13% of stock currently fails to meet decent homes standard by 2010
- Impact of revised allocations policy
- Limited housing stock facing high demand, especially from homeless households
- Must meet changing demand for flats and bedsits
- Undertaking review of void management process and to undertake review of repairs process.
- Rent collection performance improving
- Repairs Partnership to achieve efficiencies
- 19 residents' associations, covering 76% of council properties
- 78% of tenants are satisfied with the Council's Housing Services

City of York Council homes comprise 10% of York's housing stock: council housing has a significant role in providing rented accommodation, which is affordable, in a good state of repair and secure. It is important that council housing is well managed, to encourage and support sustainable communities.

This section of the business plan describes the operational arrangements used to manage the housing service; profiles the housing stock in terms of supply, turnover and demand; reviews void management, rent collection, repairs and maintenance, and tenant involvement and satisfaction; and discusses performance and equality monitoring, and staff training and development.

### **Operational management of the housing stock**

The Council manages its housing stock through two offices: one in the city centre and the other in Acomb. The Housing Department contains the functions of: allocations; estate management; tenancy enforcement; rent collection/recovery; repairs reporting; planned maintenance; and homelessness.

A Repairs Partnership covering responsive and void repairs between Housing Services and Neighbourhood Services is in place; this is discussed further on page 21.

2005/2006 saw the housing service move from a structure which separated the provider and the strategic functions to a Housing Service with three divisions:

- **Housing Operations**
  - council house allocations
  - estate management
  - customer services
  - rent collection/arrears recovery
  - homelessness
- **Strategy and Enabling**
  - housing strategy
  - business planning
  - housing association development
  - Service development & training
  - Private sector renewal & adaptations
- **Asset Management**
  - asset management strategy planning
  - responsive repairs
  - planned maintenance

Each division is headed by a group manager, reporting to the Head of Housing Services, giving the service the capacity to drive forward service development and continuous improvement across housing as a whole.

Housing related functions remaining outside the re-organised housing department include Supporting People, Housing Benefit, the mediation service, “Face to Face” and tenant participation. These services are viewed as either

needing to remain independent or are better placed to deliver their functions as part of a wider council department.

### **The housing stock**

On 1 April 2006 the Council owned just over 8,000 dwellings, including hostel accommodation totaling 37<sup>12</sup> units. [Fig.2]

At April 2006 approximately 87% of the housing stock met the Decent Homes Standard (DHS), with the remaining 13% of homes being a key priority for investment, and thus a main driver for business planning.

During 2005/2006 35 dwellings were sold through the right to buy.

---

<sup>12</sup> No of Hostel units as per HRA definition.

**Figure 2: Breakdown of council owned stock at 1 April 2006**

	Number of bedrooms				Total
	1	2	3	4+	
<b>Bedsit</b>	77	0	0	0	<b>77</b>
<b>Sheltered Bedsit</b>	31	0	0	0	<b>31</b>
<b>Bungalow</b>	394	144	4	0	<b>542</b>
<b>Sheltered Bungalow</b>	18	8	2	0	<b>28</b>
<b>Flat</b>	2135	600	33	0	<b>2768</b>
<b>Sheltered Flat</b>	369	41	0	0	<b>410</b>
<b>House</b>	27	1369	2329	205	<b>3930</b>
<b>Sheltered House</b>	4	0	1	0	<b>5</b>
<b>Maisonette</b>	1	233	27	0	<b>261</b>
<b>Sheltered Maisonette</b>	0	1	0	0	<b>1</b>
<b>Hostel Units<sup>13</sup></b>	37				<b>37</b>
<b>Total</b>	<b>3093</b>	<b>2396</b>	<b>2396</b>	<b>205</b>	<b>8090</b>

The Council has fourteen sheltered housing<sup>14</sup> schemes, four of which are sheltered with extra care<sup>15</sup>. These 475 properties make up just fewer than 6% of housing stock. An additional 1,600 properties, approximately 20% of all stock, contain a warden call alarm system.

The need for temporary accommodation for homeless households means that, in addition to the use of hostel accommodation, the Council uses approximately 180 dwellings belonging to the general housing stock for temporary

<sup>13</sup> Hostel Units as per HRA definition.

<sup>14</sup> Accommodation designated for older persons, usually with communal facilities and an on-site warden

<sup>15</sup> Sheltered housing with additional communal facilities

housing. An action plan is in place setting out actions needed to achieve the Government target of a 50% reduction in the numbers in temporary accommodation in York by 2010. An initial reduction has been achieved by using less general housing stock.

There are two dedicated homeless prevention workers who successfully prevented 127 cases of homelessness during 2005/06.

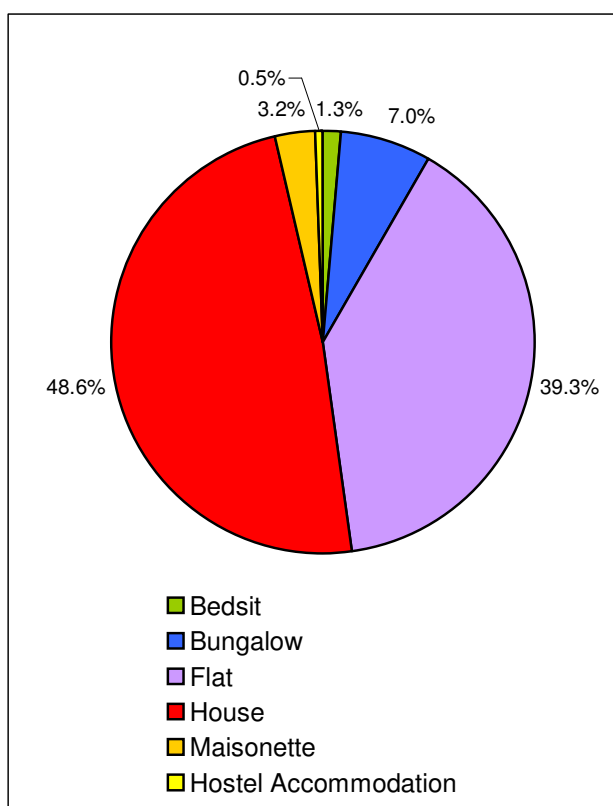
They offer comprehensive advice and information on a range of housing options available and provide support to those in danger of losing their home.

New initiatives include the introduction of a Landlord Forum to forge better working relationships with private landlords and to actively promote the supply of private rented accommodation.

Early prevention work with local schools, colleges and the Connexions service has also been introduced.

The impact of the Right to Buy over the last few decades has resulted in depletion of “family” housing, with houses making up 50% of stock [Fig.3]. The majority of the remaining stock comprises low-rise flats.

**Figure 3: Proportion of stock type**



**Lettings and turnover**

Figure 4 shows that the turnover of stock during 2005/2006 slightly decreased: down one percentage point from the 2003/2004 and 2004/2005 levels of 13%. The number of direct (mutual) exchanges has continued to increase. There has been a slight reduction in the number of transfers and there has also been a reduction in the number of temporary tenancies provided for homeless households.

**Figure 4: Lettings and turnover**

Letting type	2003/04	2004/05	2005/06
Waiting list	346	295	330
Homeless	168	177	163
Homeless temporary management	–	284	345
Transfer	225	128	104
Direct Exchange	73	104	139
<b>Total lettings</b>	<b>1,096</b>	<b>1,049</b>	<b>1010</b>
Average stock	8,315	8,175	8108
<b>Turnover</b>	<b>13%</b>	<b>13%</b>	<b>12%</b>

If lettings of temporary accommodation and “direct exchanges” are removed from the picture this leaves 597 lettings [Fig.5] Fifty-five per cent of these lettings were made to households on the waiting list, 27% to homeless households and the remaining 18% to existing tenants transferring to other accommodation.

**Figure 5: Breakdown of letting type by property type during 2005/2006**

	Waiting List	Homeless	Transfer	Total
General needs bedsit	9	4	2	15
Sheltered/ warden call bedsit	7	1	1	9
Bungalow (designated for older persons)	17	0	17	34
General needs flat	151	41	14	206
Sheltered/ warden call flat	96	7	37	140
House (general needs)	36	106	31	173
Maisonette (general needs)	14	4	2	20
	<b>330</b>	<b>163</b>	<b>104</b>	<b>597</b>

During 2005/2006 the proportion of general needs houses let to homeless households was almost three times the number let to households on the waiting list and over three times the number let to transferring tenants. Also a high proportion of available properties let in 2005/6 are flats, especially those designated for older persons (with an on-site or peripatetic warden {Fig. 5}).

### Termination reasons

The termination reasons for the dwellings which became available for letting in 2005/2006 are shown in Figure 6. Twenty-two per cent of properties became vacant due to the death of the tenant and a further 10% due to the tenant moving into residential care. This is in part a reflection of the tenant profile in York; the 2005 tenant satisfaction survey indicated that an estimated 41% of households contain one or more persons aged 60 or over.

**Figure 6 Termination reasons by property type during 2005/2006**

	Bedsit	Bungalow	Flat	House	Maisonette	Total
Abandonment	0	0	7	5	0	12
Deceased	4	19	79	27	3	132
Evicted due to anti-social behaviour	0	0	6	4	1	11
Evicted due to rent arrears	3	0	36	20	4	63
Moved to private sector accommodation	6	5	70	35	7	123
Moved into residential care	3	7	39	12	1	62
Moved to housing association accommodation	0	0	4	5	0	9
Transferred to another council property	3	8	100	51	5	167
Unknown why tenancy terminated / other reason	3	2	15	8	0	28
Total	22	41	356	167	21	607

### Demand for council housing

As a general rule demand for the council's housing stock is very high. The housing register indicates that the highest demand<sup>16</sup> is for one bedroom, followed by two bedroom properties (Figure 7). The register also shows that statutory homeless households need is mainly for 2 bedroom properties

<sup>16</sup> Where the number of bedrooms is specified

**Figure 7: Demand shown by the housing register at April 2006**

Application	Number of Bedrooms Needed					Total
	1	2	3	>3	Unspecified	
Waiting List	965	395	110	34	11	1515
Homeless	11	56	8	10	0	85
Transfer	276	175	85	29	18	583
Deferred	43	6	3	1	95	148
<b>Total</b> <sup>17</sup>	<b>1296</b>	<b>634</b>	<b>209</b>	<b>77</b>	<b>124</b>	<b>2331</b>

Although it is apparent from the demand shown by the housing register and the findings of the 2002 housing needs survey, that there is a need for one bed accommodation, there are concerns with the popularity of bedsits and one bed flats with warden call<sup>18</sup>. In the past these properties have been provided for older persons, however, due to changing aspirations the demand for this type of supported accommodation has greatly reduced.

Overall, approximately 588 dwellings or 7% of stock have been identified as difficult to let due to them being unpopular<sup>19</sup>. Over 50% of this stock is designated for older persons – bedsits, flats and maisonettes all

<sup>17</sup> Total does not include pending applications which are awaiting further information

<sup>18</sup> Warden call flats are currently designated for older persons

<sup>19</sup> Unpopular housing is considered to be difficult to let due to its type or location, as opposed to an oversupply of property type

either sheltered or with warden call – unpopular due to their size/type. The remaining difficult to let stock is general needs accommodation – a mix of bedsits, flats, houses and maisonettes – unpopular due to their location. In the short term, in order to improve demand, if one of these properties becomes void it is let through choice based lettings (see below). A longer term strategy to tackle unpopular housing and changing demand will form part of the Asset Management Plan (as detailed on page 38) This will set out the methodology for identifying unpopular housing and the process for reviewing demand criteria. Following this analysis if areas of lower demand are identified, options will be explored for example, marketing, re-designation, remodeling and redevelopment. Furthermore, it seems appropriate to review sheltered accommodation and warden call schemes to ensure changing needs and aspirations are taken account of.

### **Allocating council housing**

Following a comprehensive review, on 1 May 2006 York introduced a new way of allocating its housing and nominating to housing association accommodation. Applicants are no longer ranked in order of

points, but instead are placed in one of five bands of differing levels of priority ranging from 'Very Urgent' to 'No Priority'. Applications are assessed in terms of circumstance and placed in the highest band, which their circumstances allow. Within each band applicants are ranked in date order as to when their application was accepted.<sup>20</sup> Allocations are made to the applicant in the highest band, who has been waiting the longest in that band.

The allocation policy also contains an element of choice based lettings, whereby an identified number of less popular units of accommodation are advertised, then allocated to the "bidder" who has been on the housing register the longest.

The new policy also introduced a "Good Neighbour Standard", which aims to reward existing secure tenants who have not breached their tenancy conditions, for a minimum of 3 years. "Good Neighbour" status tenants wishing to transfer, will be given prior consideration for City of York council properties suitable to their needs. The allocations policy also allows for the introduction of local lettings policies to

encourage community cohesion or sustainability.

There is a commitment to review the impact of the new allocations policy during 2007.

Usually only applicants aged 18 or over will be accepted by the council, with the exception of 16 and 17 year olds who are care leavers or are homeless/threatened with homelessness and have a recognised support package and financial guarantor.

All new council tenants offered permanent, that is non-temporary accommodation, are given introductory tenancies. Introductory tenants have their tenancies closely monitored, including receiving home visits. Breaching terms of tenancy, for example, having rent arrears or anti-social behaviour can lead to tenants being evicted. Subject to any breach in tenancy conditions introductory tenancies become secure following a period of twelve months.

Other issues highlighted by the view of housing allocations are the need to produce a register of adapted property (so as to ensure the best use of stock); and review the support given to new tenants.

---

<sup>20</sup> If applicants move up to a higher band, their waiting time is calculated from the date they move into that band only.

## Void management

At 1 April 2006 the Council had 78 void dwellings, (approximately 1% of its housing stock). It is important that the time a property is void is kept to a minimum, especially due to the rent loss incurred whilst it is left un-tenanted. It is also important to minimize the impact of vacant properties on the local community, by ensuring that adequate security measures are in place. Three key determinants of the void period are

- Receiving notice
- Allocating/offering a property
- Void repair works and cleaning.

All void properties are required to have gas and electric checks. At York, following inspection a void property is labeled according to the “scenario” the property falls into:

- **scenario 1 void** when the new tenant is able to move into the property the same day the previous tenant vacates
- **scenario 2 void** when the property requires minor health and safety works
- **scenario 3 void** requires a substantial number of health and safety works, for example: electrical works, removal of asbestos tiles,

replacement stair rails, and replacement floor boards/tiles.

As shown in Figure 8 the overall average relet time during 2005/2006 decreased to 32 days (or 4.6 weeks) from the 2004/2005 outturn of 35 days. Relet times have reduced further in 2006/7 with an average for the first half of the year to 30<sup>th</sup> September of 24.85 days (or 3.55 weeks). Although this decrease in average void time is welcomed the council is keen to substantially reduce void times. A review of the entire void management process has been undertaken using a systems thinking approach. This research looked at the void process starting from when notice of termination is received, through to inspection, allocation, works whilst voids, sign-up of new tenant and works when tenant in situ. The findings of the review have resulted in the following recommendations / changes:

- pretermination inspection of properties
- joint viewings with perspective customer, estate manager and in-house contractor to discuss and agree physical condition of homes



- reduction of duplication of inspections between maintenance surveyors and in-house contractor supervisors
- restructure of in-house contractor to provide a more suited and dedicated resource
- reduction of officers, steps and measures in the whole process.

**Figure 8: Average relet times**

	2003/04	2004/05	2005/06	2006/07 Target
Average relet time	31 days	35 days	32 days	21 days
% of rent lost through dwellings being void	1.35%	1.12%	1.08%	No target set

All new and transferring council tenants are sent a 'New Homes Questionnaire' shortly after they move into their accommodation. Reports can be generated on a regular basis to assist in identifying areas where service improvements can be made.

### Rent collection

In line with Government guidance, since April 2002 the council has adhered to the policy of rent restructuring<sup>21</sup>. 2006/2007 has seen an average annual rent increase of 4.97%. Figure 9 shows average weekly

rent levels; sheltered schemes have additional service charges relating to amenity provision. Supporting people charges are also made for housing support services, for example, a warden service or warden call.

**Figure 9: Average weekly rents during 2006/2007**

	Average 52 week rent
Bedsit	£39.04
1 bed property	£47.68
2 bed property	£55.83
3 bed property	£61.09
4+ bed property	£63.12

*N.B. the above figure does not include service charges payable in sheltered schemes, nor does it include support charges*

Following the evaluation of the impact of a pilot specialist arrears team set up during the 2004/2005 an income management section, which contains a specialist arrears team, was introduced as part of the restructure of the housing service. As shown in Figure 10, 2005/2006 saw a continued improvement in terms of rent collection and reducing current tenants' rent arrears. Overall, during the last two years, there has been a reduction in rent arrears by £497,786.

<sup>21</sup> Policy to ensure all social housing rents are fair and comparable

**Figure 10: Rent collection and arrears**

	At 31 March 2004	At 31 March 2005	Y&H <sup>22</sup> top quartile	At 31 March 2006	Target for 31 March 2007
Proportion of rent collected	93.7%	95.8%	98.6%	97.2%	98.6% <sup>23</sup>
Rent arrears of current tenants as a proportion of the rent roll	5.22%	3.82%	-	2.81% <sup>24</sup>	2.78% <sup>25</sup>

However, as also shown in Figure 10, York's performance for rent collection is still below the 2005 top quartile outturn for stock retaining authorities in Yorkshire and the Humber. Hence, improving levels of rent collection and reducing levels of arrears remain key areas of activity.

A variety of payment methods are available to tenants: in person at either of the housing offices, by direct debit, by standing order, over the Internet or by using a swipe card. The last two options were introduced in 2005/2006: swipe cards are provided to all tenants, they allow tenants the opportunity to pay their rent at convenience stores, post offices and supermarkets participating in the scheme; and payment

<sup>22</sup> Stock retaining authorities at end of March 2005 in Yorkshire and the Humber as taken from the Audit Commission's 2004/2005 BVPI outturns

<sup>23</sup> Target calculation amended as a result of cancellation of rent collection service.

<sup>24</sup> Outturn calculation as above.

<sup>25</sup> Target calculation as above.

can be made over the internet using debit and credit cards. The council's website is currently being redeveloped and longer term it is hoped that tenants will be able to see their rent account balance on line. A system to monitor the proportions of different payment methods is to be introduced during 2006/2007, with reports to be produced on a monthly basis

Housing Services has a Service Level Agreement (SLA) with the Housing Benefit department and liaison meetings take place on a monthly basis. Work is currently underway to develop a Debt Management Policy; this is to be a joint policy between Housing Services, Housing Benefits and Council Tax.

### **Customer Rewards & Incentives**

Work has been undertaken to review a range of incentive schemes and in September 2006 Councillors' approved a scheme including a quarterly prize draw and termination of tenancy incentives. . To qualify for the draw scheme customers must have: a clear rent account (and no other debts to housing e.g. for re-chargeable repairs); a valid gas safety certificate where applicable; no tenancy breaches. The tenancy termination incentives offer £25 for each of the

following: giving 4 weeks notice; leaving property in good condition and allowing a pre-termination inspection. The estimated savings in 2007/8 are a £10000 reduction in arrears from the prize draw, and savings of £23000 from the tenancy termination incentives.

Tenants in Bloom was launched in Summer 2006 to encourage an interest in maintaining gardens both communal and private and promote a sense of pride in the community. Prizes were awarded for best individual garden and communal garden based on planting, design and general maintenance, and the winning gardens were featured in Streets Ahead the magazine for tenants.

### **Estate management**

Tenants actively contribute to the management of their estates by attending **regular walkabouts** as part of a multi-disciplinary team, which includes representatives from Housing Services, Neighbourhood Services, resident associations and local councilors.

Each year the **Estate Improvement Grant** process allows resident association members to identify particular

improvements which they would like on their estates. Council tenants in the area are then asked to vote on the improvements they would like to see prioritized. Examples of improvements include skips, fences and security lighting. Progress with work funded by Estate Improvement Grants is monitored by the York Federation of Residents and Community Associations, and during the regular 'Estate walkabouts'.

In order to improve the efficiency of staff working on estates, the housing service is currently working in conjunction with Revenues and benefits on the implementation of mobile working using hand held technology. The project is a pilot and if successful will lead to the extension of mobile working systems. The project will deliver a solution, which enables estate manager to read and update real time information whilst in customers homes or out on estates via connectivity with the 'iworld' housing management IT system. Predicted business benefits include:

- Better quality information for the customer,
- Increased efficiency of staff
- More effective service

- Better data quality
- Reduction in amount of office accommodation needed
- Reduction in paperwork

In 2006-7 annual visits for all City of York Council tenants are being introduced. In the longer term the mobile technology will enhance the service that can be delivered to tenants at visits, eliminating for the most part the need to 'get back to'; customers and improve the flow of information back to the office.

To improve the chances of homeless households sustain their permanent tenancy, a series of training sessions have been introduced, carried out by Estate Managers. These sessions aim to better prepare people for their responsibilities as tenants and ultimately to help them to successfully maintain their tenancies.

### **E-Government**

The council is currently developing a contact centre and upgrading its website under the banner 'easy@york'. Housing Services are working with the web team to update the housing areas of the website, and improvements are planned to enable

customers to directly access services using on-line forms, for example applying to go on the Council's housing register.

The landlord services currently use a Document Management System (DMS) to process incoming mail, workloads and to provide a virtual filing system. Managers are currently investigating expanding DMS to other areas of the housing service including Asset Management and homelessness.

### **Tenancy Enforcement**

The tenancy enforcement team deals specifically with serious breaches of tenancy, including anti-social behaviour and nuisance issues. A key forum for addressing breaches of tenancy is the Nuisance Action Group. This is a multi-agency problem-solving group, which consists of various Council Departments, North Yorkshire Police and other relevant external agencies. In line with the Anti-social Behaviour Act 2003 and the Respect Agenda, the council has used its powers to demote secure tenancies and extend introductory tenancies on the basis of anti-social behaviour.

Work has commenced towards signing up to the Respect Agenda in Housing Management. This work needs to be developed more widely both corporately and with our external partners. The agenda can only be achieved through a holistic approach with commitment from all these partners.

### **Repairs and maintenance**

In line with the need to improve services and increase efficiency 2005/2006 saw the introduction of a 'Repairs Partnership' between the council's housing and Neighbourhood services departments for the delivery of responsive and void repairs. The objectives of the partnership are to:

- deliver a high quality repairs and maintenance service;
- maintain high customer satisfaction;
- continuously improve;
- be accountable for actions;
- jointly control cost and provide the service customers' want within the agreed budgets;
- work towards reducing the actual cost of delivering the service;
- eradicate duplication, bureaucracy and waste;
- promote a 'right first time' approach;

- ensure value for money;
- reduce disputes;
- be innovative.

The partnering arrangement replaced the formal contractual arrangement, which had been in place since compulsory competitive tendering. It has required both housing and Neighbourhood services to enter into a long term contracting arrangement committed to shared objectives, including the process of continuous improvement and customer satisfaction, as well as improving the cost, quality, and time efficiency of the service. Developed along Egan principles<sup>26</sup> the Repairs Partnership aims to provide an improved level of service as compared with a more traditional, shorter-term contract.

The Partnership is monitored through a quality framework and the housing service improvement plan. The service level agreement attached to the Partnership includes a suite of performance indicators which look at performance in terms of cost, efficiency and customer care. Progress is reviewed at regular meetings, both

---

<sup>26</sup> The Egan principle is to move away from adversarial contractual arrangements to delivering more efficient services through strategic partnering.

operationally and at a strategic, senior level.

During the early transitional phase of the Partnership, performance relating to responsive repairs continued to decrease. Service improvements have now been put in place and in recent months have seen a significant improvement in performance see [Figures.11a & b]. Another recognised benefit of these recent improvements is better financial management. There is still much to do to improve the service that is delivered to customers, and ensure value for money for both tenants and the council. However there is commitment from the Partnership Board to build on the success of the past year and work will commence in autumn 2006 on comprehensive systems review of the day to day repairs service, assessing our service against the 'excellent standard' expected by the Audit Commission. This self-assessment will identify any gaps in the service and areas for improvement. Some improvements have already been identified and key ones are listed below

- **Cultural change** in the way staff from both directorates work and see their individual role within the

partnership contributing towards to overall success of the service. More work need to be done by senior managers in both directorates to emphasis the principles of the Repairs Partnership.

- **Review of operational procedures within Housing and Neighbourhood Services** is underway to enable a more customer-focussed service to meet the actual goals; this is to be facilitated by restructuring the operational procedures around the outputs required.
- **Neighbourhood Services are working with the Office of Government Commerce to appoint a major supplier**, this service will allow for dramatic efficiencies by controlling van stocks more effectively as well as reducing the time waiting for materials.

### **Council Adaptations**

Adaptation work for older and disabled customers in council properties was previously delivered separate contract to

the responsive repairs within a similar contractual arrangement to that used for the responsive repairs contract, prior to moving to the partnership arrangement described above. This work was won by competitive tender by the then Commercial Services in 1998. Annual uplifts to reflect price increases have been negotiated since 2002 but this arrangement needs to be reconsidered as it was established in the climate of Compulsory Competitive Tendering of the 1990s before the focus on best value.

The costs of providing the adaptation service have been benchmarked by Housing Quality Network (HQN), the same organisation that carried out the benchmarking exercise prior to entering the partnership. Neighbourhood Services costs are slightly higher than the market when compared on a like for like basis, however it is felt that the economies of scale that could be achieved as a result of integrating the adaptations work into the partnership, which has an annual value of approximately £3m, will result in reducing costs. Value for money will be closely monitored over the 12-month pilot period.

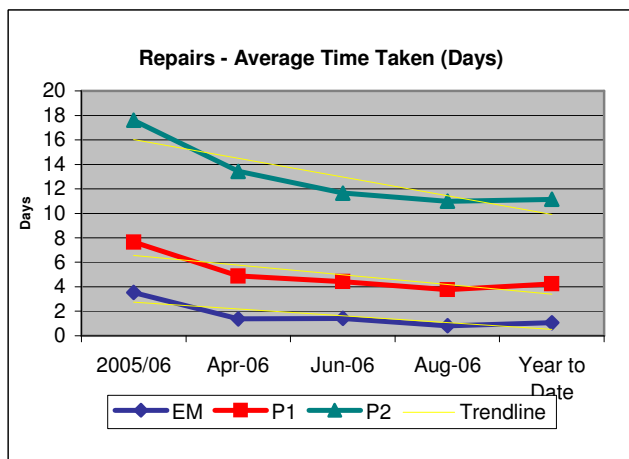
It is proposed that the adaptations work is delivered within the already agreed principles of the repairs partnership and

benefit from the advantages and improvements that partnership working has already delivered for the responsive repairs service, and that this arrangement is reviewed in 12 months time. The service will continue to be delivered by the teams in Housing and Neighbourhood Services however the same issues of efficiency and duplication will be reviewed as with the repairs service.

**Figure 11a: Percentage of responsive repairs completed within timescale**

	2003/04	2004/05	2005/06	2006/07 Year to Date	2006/07 target
Urgent repairs completed within Government time limits	79%	75%	72%	83%	90%
Average time taken to complete non-urgent repairs	8.1 days	8.7 days	13.9 days	7.9 days	9 days

**Figure 11b: Average Time Taken (in Days) to complete responsive repairs.**



### Energy efficiency

The average Standard Assessment Procedure (SAP) rating of council properties was 70 at April 2006, which is in the top Quartile of performers.

The Housing improvement scheme (at Appendix I) includes heating system, insulating render and window replacement programmes.

### Tenant involvement

Nineteen residents' associations cover 76% of council properties in York; these groups hold their own meetings, with representatives attending citywide events. There are monthly meetings of the York Federation of Resident and Community

Associations, quarterly meetings of the panel which monitors the Tenant Participation Compact – 'Getting on Board', and two tenant representatives sit on both the Executive Member for Housing Advisory Panel and the Housing Scrutiny Board in a non-voting capacity.

Tenant representatives are also involved in the editorial process for 'Streets Ahead' – a tenant's magazine which the Council produces four times a year.

A dedicated resource for tenant participation is delivered through the Neighbourhood Pride Unit (NPU) based in the Neighbourhood Services directorate. The directorate aims to provide a joined up approach to resident involvement and neighbourhood management. The original Service Level agreement has been superseded by a Mature Partnership Agreement which is used as a work planning tool to deliver the service in line with the Audit Commission best practice and the established local structure for tenant involvement, rather than a formal agreement. The NPU and Housing Services use this as a framework within which to regularly discuss and resolve work programming issues. Meetings between managers from both services take place on



a regular basis to ensure progress and agree priorities.

The NPU has a clear focus to develop; a fundamental and strategic role for tenants, a new Tenant Participation constitution and to deliver training in conjunction with the Tenant Participation Advisory Service.

A review of the Tenant Participation Compact was initiated in December 2005. A new document is being developed at workshops by a compact development group, comprising of tenant representatives from resident associations and the York Federation of Resident and Community Associations, with officer support. A consultation draft has been prepared and this will be shared with a wider group of stakeholders. Key improvement issues for the revised compact to address, are how to engage hard to reach groups, and better marketing of tenant participation, in order to improve satisfaction with opportunities for involvement.

### **Tenant satisfaction**

The council undertakes an annual face-to-face survey, known as the Annual Housing Services Monitor (AHSM). The survey undertaken in November/December 2005 – indicated that 78% of tenants

(irrespective of ethnicity) were satisfied with the overall service provided by the Council and 55% of tenants (irrespective of ethnicity) were satisfied with opportunities for participation in management and decision making.

The 2005 AHSM indicated reduced satisfaction with the areas of: repairs and maintenance, tenant participation and customer care, this is of great concern. A follow up telephone survey of a random sample of tenants who had taken part in the 2005 AHSM was undertaken in May 2006. Improvement actions, contained within a service improvement plan for housing, have been developed in response to the results of both surveys and also form the basis for a number of priorities for action within the Business Plan. Fieldwork for the 2006 survey is currently underway.

### **Performance and equality monitoring**

Housing Service performance is monitored at a number of levels. Corporately the council tracks performance indicator outturns. EMAP receive performance reports against the HRA service plan three times per year. Housing Services Management Team reviews Key Performance Indicators identified in the

Service on a quarterly basis. All Service plan actions are captured in team plans, together with improvement actions and operational performance indicators. These are monitored regularly at service management team level. The Service Development Team monitors both the Housing Service Improvement Plan and the Business Plan's Action Plan regularly.

In line with Commission for Racial Equality (CRE) guidance and the Race Relations (Amendment) Act 2000 equality impact assessments have been undertaken on all HRA service areas, with action points incorporated in the HRA Service Plan, and corporate Equality Strategy as appropriate. The Housing Service are currently checking their compliance with the new CRE code of guidance released in September 2006.

Corporately we are committed to working and achieving Equalities. Work has been identified in the action plan to undertake further research to determine which groups are not accessing the housing service and

to ensure that adequate equality monitoring systems are developed and implemented.

### **Training and development**

An excellent housing service requires motivated and appropriately trained staff. The council is committed to undertaking annual appraisals with all staff, which set individual objectives and identify training needs.

The housing service restructure contains a newly established "training co-ordinator" post. Key training and development objectives for the housing service include completing a skills audit; training needs analysis and training plan with a list of accredited courses. Centralised co-ordination of training in housing is also expected to realize efficiency savings, via in house provision and joint commissioning.

### ***Achievements 2005 to date***

- Implemented restructure of the housing service
- Introduced the new allocations policy
- Reviewed and revised the information available for housing applicants
- Initiated systems thinking review of the void process
- Introduced specialised income management team
- Introduced swipe card and internet payment systems
- Incorporated rent restructuring into iWorld housing management system
- Established Repairs Partnership between Housing and Neighbourhood Services
- Undertook systems review of day-to-day repairs service
- Introduced repairs finder.
- Monitored the cleanliness of communal areas via handypersons, Estate Managers and walkabouts..
- Energy efficiency improvements saw the average SAP rating for housing stock rise by 4 points to an average of 70
- 2313 homes received modernisation and improvement works
- Reviewed existing range of information leaflets
- Reviewed website, including on-line forms and associated information
- Introduced policy to allow for extension of introductory tenancies and demotion of secure tenancies when tackling cases of anti-social behaviour
- Introduced annual visits to tenants
- Joined repairs benchmarking club
- Investigated the use of incentives financial and otherwise, across the housing service.

## **2006/2007 –2008/2009 Housing Service Improvements - Priorities for Action**

### **Ensuring sustainable demand for housing stock**

- Develop a strategy to reduce the level of low demand stock, within the Asset Management Strategy
- Undertake a review of sheltered accommodation and warden call schemes.

### **Allocating council housing**

- Review the impact of the revised allocations policy
- Introduce reports to give refusal reasons
- Revised housing application form to be available on-line: link to [easy@york](mailto:easy@york)
- Choice based lettings to be on-line: link to [easy@york](mailto:easy@york)
- Produce register of adapted property in Iworld & recycling of adaptations.
- Proactively manage the nominations process with housing associations to increase the proportion of housing association properties which are let to City of York Council applicants through nomination rights

### **Re-letting council housing**

- Implement recommendations of the voids review
- In consultation with tenants introduce a void quality standard
- Review the impact of introductory ,demoted and extended introductory tenancies.

### **Rent collection**

- Tenants to be able to use the internet to check on their rent account, make payments and seek debt advice
- Develop a Debt Management Strategy
- Review leaseholder service charge policy
- Provision of rent, support and service charge information to vulnerable tenants in accessible format
- Review rechargeable repairs.
- 

### **Estate Management**

- Estate management staff to have access to mobile working technology
- Identify the need for different types of floating support schemes with a view to sustaining tenancies
- Develop a procedure to pro-actively manage incidents of nuisance

### **Responsive repairs**

- Implement a systems review of the day-to-day repairs service in conjunction with Service Development Team.
- Undertake quarterly 'Learn from Complaints' sessions reviewing reasons for and actions taken due to customer complaints leading to changes in procedure/service standards
- Provide quality control for completed works via post inspection process.
- Introduce system for monitoring the number of post inspections undertaken.
- Produce information for tenant's handbook, containing timescales to carry out repairs/improvements



## **2006/2007 –2008/2009 Housing Service Improvements: Priorities for Action continued**

### **Capital Improvements**

- Completion of 07/08 capital programme within timescale and to budget whilst achieving high quality results and customer satisfaction
- Review the current ratio of planned to responsive works.
- Formalise procurement methodology for future roofing works
- Quarterly review with customers who have received the works within last 3 months
- Review painting satisfaction survey format based upon outcomes and reviews of 06/07
- Formalise procurement methodology for future roofing works
- 2426 homes will receive improvements.

### **Tenant satisfaction and participation in the management of the housing service**

- Produce a revised Tenant Participation Compact
- Finalise a mature partnership agreement between Neighbourhood Services and Housing Services
- Investigate how residents' associations can be more self empowering and representative
- Develop a tenants' website linked to [easy@york](mailto:easy@york)
- Review support mechanisms provided to enable service users to be involved
- Undertake research to determine which groups are not accessing the housing service
- Seek to encourage better representation in terms of user involvement and investigate how to engage "hard to reach" groups
- Undertake a capacity audit of residents' associations
- Ensure that adequate equality monitoring systems are developed and implemented
- IT systems to contain comprehensive information so as to ensure that preferred methods of communication are known
- Introduce a system to monitor content of housing complaints and make recommendations for service improvement
- Introduce a system to monitor leaseholder satisfaction with the housing service including consideration of the how the Annual Housing Service Monitor could be used
- Investigate methods of ensuring leaseholders have the opportunity to participate in the running of the service
- SX3 to manage leasehold properties
- Produce a home owner / leaseholder handbook
- Implement incentive scheme
- Develop procurement strategy for all aspects of housing service
- Review service standards in conjunction with service users and stakeholders

### **Training and development**

- Undertake skills audit of all housing staff then analyse training needs and develop training programme
- Develop an on-line manual of policy and procedures and cyclical review process to ensure they re maintained
- Monitor course provision for quality and value for money

## Investing in council housing

### Key Issues

- The stock is generally in good condition
- At April 2006 1,034 homes failed to meet Decent Homes Standard (13% of stock)
- Approximately 13% of stock currently fails the Decent Homes Standard (DHS) and it will cost £43.7 million to achieve the York Standard which exceeds the Decent Homes Standard (for a summary of the York Standard, see Appendix III.)

Well-maintained housing is fundamental to the delivery of a sustainable housing service. The Government's aim is for all local authority and RSL housing to be decent by 2010; in that it is warm, weatherproof and has reasonably modern facilities. Hence the Business Plan's objective is to invest in council housing to meet the Decent Homes Standard (DHS) by 2010<sup>27</sup>.

In this section there is:

- an overview of the Tenants' Choice modernisation scheme;
- A review of the condition of the housing stock and the investment required to meet the DHS;
- a summary of the results of the investment options appraisal;
- an explanation of the need for an asset management plan;

<sup>27</sup> Although 2010 is the stated year, the actual date the council is required to meet the DHS is 31 December 2010.

an overview of the housing service's financial position.

### Condition of the housing stock

The council's housing stock is generally in good condition with the majority of the homes being of traditional construction which have benefited from effective management and maintenance over the years.

Although the housing service provides a responsive repair service the main (and most cost effective approach) to investing in council housing is to use an improvement programme of works. Since 1989 York has delivered housing improvements through the Tenants' Choice Modernisation Scheme (at Appendix I).

The Tenants' Choice Modernisation Scheme is managed by officers utilising

information on stock condition and local knowledge to undertake works in a 'just in time' approach, and prioritising using a 'worst first' approach. The programme for each year is developed in consultation with elected Members and residents groups, but with the emphasis on the condition of the property. Figure 12 shows numbers of homes improved to end of March 2006. In the same timescale the Projects Programme has completed window replacements to homes as shown in Figure 13.

**Figure 12: Tenant Choice Improvements 1989/1990 – 2005/2006**

Type of Improvement	No. of homes
Kitchen	6123
Bathroom	6143
Heating System	6581
Electrical Rewire	2258

**Figure 13: Window replacement programme 1989/1990 – 2005/2006**

Window Replacement	No. of homes
Double glazed windows	5569 UPVC 348 Timber

In order to plan investment programmes the council needs to undertake regular stock condition surveys. Survey results can indicate the type of investment

required in the stock and the level of expenditure needed.

In 2001 Property Tectonics were selected following a competitive tender to undertake a stock condition survey of all the Housing Revenue Account assets. The survey took a 10% sample 'snap shot' of the condition of the stock. The main findings of the 2001 survey were that the external fabric of council homes were 'generally' in a reasonable condition and sound state of repair with essential work to external walls, roofs and windows not being required until after 2012. It identified significant expenditure that was required in 2002 to 2007, to modernise homes. The work identified included heating, kitchens, bathroom fittings and rewiring, and indicated an average expenditure of £5.6 million per year up to 2012

Figure 14 details capital expenditure on these components over the period 2002/2003 to 2006/2007. Up until 2006/2007 these programmes were based on the 2001 stock condition information, as well as local knowledge and commitments to tenants prior to the 2001 survey.

**Figure 14: Capital expenditure 2002/2003 - 2006/2007**

	<b>Kitchens</b>	<b>Bathroom</b>	<b>Heating</b>	<b>Rewire</b>	<b>All Doors</b>	<b>Roofs</b>	<b>Rendering</b>	<b>Windows</b>
<b>2002/03</b>	£966k 327 No	£321k 325 No	£377k 132 No	£397k 315 No	£337k 519 No	-	£28k 6 No	£1,263k 763 No
<b>2003/04</b>	£978k 350 No	£371k 348 No	£482k 139 No	£733k 364 No	£249k 375 No	£262k 83 No	£149k 40 No	£1,089 635 No
<b>2004/05</b>	£1,146k 433 No	£499k 434 No	£688k 244 No	£1,008k 434 No	£215k 354 No	-	£321K 61 No	£830k 715 No
<b>2005/06</b>	£1,469k 438 No	£570k 427 No	£2,619k 872 No	£1,095k 387 No	£301k 272 No	£443k 138 No	-	£471k 715 No
<b>2006/07 projected</b>	£1,294k 456 No	£548k 452 No	£1,568k 780 No	£1,268k 484 No	£43k 88 No	£435k 165 No	-	£50k 33 No

It was acknowledged that there were some ‘gaps’ in the detailed information of the 2001 survey; particularly around the numbers of non-decent homes and the number of homes that will fail decent home standards between 2002 and 2010.

It was therefore decided that a further 10% survey be carried out ‘in house’ in the Summer of 2004 (see Appendix II). This survey utilised local knowledge and ensured that the housing services department ‘owned’ the data. In particular the Council decided to use a cloning process, which estimates from the sample how many properties fall into each category. This cloning process also takes into account the data held on the Tenants’ Choice Modernisation and Projects Schemes, as well as any relevant works undertaken through the responsive repairs service. This is a key aspect of the survey process enabling a reliable estimate of the

number of properties meeting decent home standards.

The installation of the Codeman IT product as part of the Integrated Housing Management System has allowed for data collection via hand held technology. Codeman was used as the data collection and survey tool, as well as for importing information on existing improvements to the housing stock and archived survey data. As the survey sample was 10% imports have increased the quality of the data on Codeman. These results were then carefully cloned to produce a robust and accurate reflection of future need.

The stock condition survey methodology and results have been validated by Lightly and Lightly Building Consultants of York who have stated, *“we are satisfied that the method of cloning was acceptable, and consequently, the basis of data for*



preparing the business plan was sound. The exercise has produced a clear business plan, outlining areas where expenditure is required both by 2010 and for the next 30 years”.

The results of the 2004 stock condition survey showed that the council needs to spend £36.6 million by 2010 to meet the Decent Homes Standard. The previous business plan estimate was £47.1 million, based on the 2001 stock condition survey. Stock condition information is being continuously updated via a rolling programme of stock condition surveys. The number of properties failing decent homes standard has decreased from 1680 at April 2002 to 1,034 at April 2006 (figure 15).

**Figure 15: Dwellings failing decent Homes Standard at April 2006**

Date	Investment required	Homes failing Decent Homes
April 2002	£47.1 million	1,680
April 2006	£43.7 million	1,034

**Figure 16: Dwellings failing the Decent Homes Standard at April 2006 – by component**

DHS Criterion	Number of dwellings
Fitness	3
Disrepair	424
Modern Facilities	190
Thermal Comfort	451
<b>Number of dwelling failing to meet the DHS</b>	<b>1034</b>

n.b. Dwellings can fail the Decent Homes Standard in terms of more than one criterion.

The installation of Codeman has improved the data collection and analytical capacity and it acknowledges that there were some inaccuracies in previous decent home information.

The stock condition survey identified one hundred non-traditional properties (discus bungalows) requiring a substantial amount of investment to achieve Decent Home Standard. These pre-fabricated homes were originally intended to have a limited life span and contain high levels of asbestos. Based on the information from the stock condition survey and local knowledge of the property types it was decided to undertake an appraisal of the options outside the business planning process. In March 2006 a report was taken to the Executive Member for Housing and Advisory panel which set out an analysis of the options. A complete refurbishment option would have required capital funding

in the region of £3.55 million to cover the costs of the work and those associated with residents having to move on a temporary basis whilst the work to their homes was completed and revenue costs of £155k to cover rent loss and security. Refurbishment would only allow the properties to have a further life span of 30 years. Alternative options put forward were redevelopment and open market sale. These would both have a revenue cost of £267k to cover rent loss, security and staff costs. The open market sale option would have generated a substantial capital receipt. However, even though there is a requirement for 50% affordable housing on development sites over a threshold of 15 dwellings in urban areas, it does not necessarily mean that a new development would take into account the needs of the existing residents who requested that older persons' housing remain on the sites. It was agreed that the redevelopment option be undertaken on the basis that the council work with a development partner, with a minimum of 100 homes to be provided for older people. A substantial capital receipt needs to be obtained across the three sites in order to cover the costs of decanting tenants and the commissioning process. In the meantime transfer requests from

tenants residing in the bungalows will be given priority and will be entitled to home loss, removal and disturbance costs.

A dedicated project Manager was appointed in July 2006 to co-ordinate the decanting of tenants and the re-provision of Discus Bungalows. A constituted residents association encompassing all the affected occupants has been established to ensure effective consultation throughout the redevelopment process. A project board has been established to steer the project (comprising Senior housing managers, local elected members and tenant representatives from the affected bungalows), and a detailed project plan is in preparation.

### **Meeting the Decent Homes Standard**

The government requires all local authorities housing to meet the decent homes standard by 2010. York will continue to deliver the majority of the decent homes to the York Standard, the key method of delivery being the Tenants' Choice Modernisation Scheme. The council's housing capital programme details the areas to be modernised and uses the information from the 2004 stock condition survey to prioritise works.

Figures 17 and 18 show the numbers of non-decent homes over the six financial years and the investment profile in terms of meeting the DHS, and delivering the York Standard and York Pride. The Investment Profile, at Appendix III, details the investment required by element over the next six years and the number of units covered by this amount. It should be noted that a single property can have more than one unit of work in any one year and therefore the totals are not cumulative. The investment requirement and the number of units covered by each element takes into account homes that will fail the decent homes standard before 2010 but are not non decent at present.

**Figure 17: Targets to reduce numbers of non decent homes 2005/2006 – 2010/2011**

Date	Number of non-decent homes	Percentage of stock
April 2005	1202	15%
April 2006	1034	13%
April 2007*	810	10%
April 2008*	635	8%
April 2009*	448	6%
April 2010*	224	3%
April 2011*	0	0%

\* - estimate

**Figure 18: Investment Profile**

Financial Year	Investment Profile	Homes failing DHS (projections) at end of year
2005/2006	£8,152,000	1034
2006/2007	£7,732,000	810
2007/2008	£6,060,000	635
2008/2009	£6,454,000	448
2009/2010	£7,744,000	224
2010/2011	£7,744,000	0

The York Standard (delivered through the Tenants' Choice Modernisation Scheme) has been adopted in York and uses the ethos of whole house modernisation rather than updating single elements of a property at different times. This approach seeks to prevent inconveniencing tenants on numerous occasions and to increase operating efficiencies in carrying out works and increase satisfaction. Therefore, where appropriate properties will receive rewiring, new kitchens and bathrooms at one time.

Government guidance states that, '*where an individual does not want work carried out on their home to bring it up to the decent home standard, then the home will remain below the standard until the home is vacated, at which point the necessary works will be carried out*'. Under Tenants' Choice, if a tenant decides not to have the

improvements, the home is placed on the backfill list<sup>28</sup>. The improvements are then undertaken when the next tenant moves in; the current target is to complete the works within one year of this date.

The capital programme also contributes to the Council's York Pride approach to joined up service provision. This increased investment in the communal environment is undertaken in conjunction with other repairs/capital projects in the area to deliver dramatic improvements to the estate. An objective of York Pride is to increase resident satisfaction and pride in their local neighbourhood, with an added incentive for resident involvement.

There is also an on going commitment to assistance for older and disabled people with capital funding for aids and adaptations promoting independence and enabling people to remain in their own homes.

The council is to fund environmental and security improvements through the estate improvement grant allocations from estate management budgets. This will fund

<sup>28</sup>. In the 2005/06 Tenants' Choice Scheme 9% of those eligible declined the proposed modernisations.

improvements identified by resident associations as being a priority and considered within the wider context of neighbourhood improvement funded by the ward committees. The allocation for 2006/7 will be £253,320 and is revenue rather than capital expenditure.

The total capital investment needed to meet all the requirements of decent homes, Tenants' Choice, York Pride and investment for aids and adaptations up to 2010 is £43.7 million (Figure 19).

**Figure 19: HRA capital investment profile 2005/2006 – 2010/2011**

	<b>Expenditure (£'000)</b>
Decent Homes & York Standard	<b>£43,735</b>
York Pride	<b>£3,162</b>
Aids and adaptations	<b>£1,912</b>
<b>Total Expenditure</b>	<b>£48,809</b>

### **Investment options appraisal**

In order to ensure they will meet the Decent Homes Standard by 2010 local authorities are required to undertake an options appraisal. This involves reviewing the housing stock, particularly in terms of investment to meet the DHS by 2010, and agreeing with tenants the most appropriate investment option. The investment options available are:

- Large Scale Voluntary Transfer (LSVT), whereby a positive ballot of tenants would enable the housing stock to be transferred to a Registered Social Landlord (RSL), the RSL can then raise funds based on the value of the stock;
- the creation of an Arms Length Management Organisation (ALMO), these bodies can access additional Government funding to meet the DHS;
- the use of the Private Finance Initiative (PFI), which enables the use of private sector funding to improve stock; and
- stock retention, where the local authority uses existing resources to meet the DHS.

The Council undertook an initial options appraisal in 2002. A financial appraisal was undertaken by HACAS Chapman Hendy; based on the results of the 2001 stock condition and future resource projections. Due to the condition of the stock, coupled to the position of the HRA, PFI was not considered a viable option for York. The three remaining options (LSVT, ALMO and stock retention) were consulted upon with tenants during September 2002, by way of a postal survey. Of those tenants who expressed a preference 93.4% favoured the Council retaining both

ownership and management of the stock. In 2002, following the consultation with tenants, the council approved a strategy of stock retention endorsing the preference expressed by the tenants.

The Community Housing Task Force (CHTF) regional advisor (based at Government Office for Yorkshire and the Humber) has worked with the Council to ensure that its options appraisal was sufficiently robust to ensure the delivery of decent homes by 2010. The Government Office and CHTF confirmed that, subject to meeting the decent homes standard by 2010, the council was not required to carry out another full options appraisal with the tenants.

Following the results of the 2004 stock condition survey financial resources and investment required were reassessed. A report setting out the investment options (LSVT, ALMO, PFI and stock retention) was subject to consultation with tenant representatives (the York Federation of Residents and Community Associations and the Tenant Compact Panel) in March 2005 and presented to the Executive Member for Housing and Advisory Panel in April 2005. Both tenants and elected

Members wished to retain ownership and management of the housing stock - reaffirming the view that there was an overwhelming desire for the council to retain the stock, providing that the decent homes and performance standards for the service could be met. This was signed-off by Government office.

### **Asset Management**

A key objective of the Housing Strategy is to ensure the best use of available homes. York does not have large areas of difficult to let properties however there are some pockets of low demand linked to unpopular property types. As previously discussed (page 14) a priority is to review unpopular housing stock and develop a strategy to tackle the situation.

A key action for the coming year is to finalise a HRA Asset Management Plan to ensure a consistent approach to all assets and that future decisions are made within a wider strategic framework. Work will continue with the Housing Development Team and external housing partners to assess the long-term viability of some of the stock. A successful partnership with

Selby and York Primary Care Trust<sup>29</sup> has already resulted in the leasing of an unpopular bedsit sheltered housing scheme for intermediate care. Unpopular one bedroom flats and flats above empty shops have been demolished and replaced with family housing at Viking Road and Bramham Road in Acomb and Peterhill Drive in Clifton. This work is continuing and in the restructured housing service asset management is the responsibility of one group manager.

Examples of City of York Council assets being used to tackle housing need are:

- A five bedroom house in a poor state of repair having been used as a supported project;
- Danebury Drive allotments – majority of land no longer used as allotments, target for anti social behaviour, has now been redeveloped as affordable housing
- Remodelled bedsits at Delwood sheltered scheme into one bedroom flats

---

<sup>29</sup> Following a merger of all North Yorkshire PCTs the Selby and York Trust was subsumed into the new organisation North Yorkshire and York PCT, from 1<sup>st</sup> October 2006

- Approval in September 2006 of for the redevelopment of two HRA Garage sites by RSLs;
- Conversion of Hard wire warden call 'street' flats; at Dale and Swann Street to lifeline, giving more flexibility of usage.
- Housing Development Team, in conjunction with the Council's Asset and Property management team are undertaking overall review of HRA and corporate assets for potential affordable housing use

### **Overview of the Financial Position**

The financial plans for the housing service have been projected over the next 30 years with detailed focus on the next six years up until 2010/2011. The key drivers for the service are meeting the Decent Homes Standard and improving performance and efficiency.

The revenue projections for 2005/2006 to 2010/2011 (at Appendix IV) show that the HRA is able to balance during this period, whilst still being able to make a revenue contribution to capital. Improved performance and efficiency savings (in line with Gershon) in these areas will result in cost savings that can be used to increase

this revenue contribution to capital. In 2006/7 Gershon savings are being made in the HRA totalling £244,000 Efficiency savings include: the Repairs Partnership and improved performance on rent arrears and void turnaround times.

Initially the financial forecast projected an overspend but the delivery of service improvements in terms of better financial management has resulted in a reduction of this overspend. A joint target for all parties within the Partnership is to remain within budget. At present the revenue projections assume that the current level of repairs expenditure will continue. The Housing Repairs Partnership commenced on the 1 July 2005 with a key objective of improving performance.

The current financial forecast is based on a forecasted level of right to buy (RTB) properties. In recent years the numbers of RTB completions have significantly decreased. Due to the buoyant housing market in York there has been a substantial increase in the valuations of council homes. It is difficult to predict numbers over future years as we may see an increase in the sale of smaller properties as family houses become

increasingly unaffordable to buy even with the discount<sup>30</sup>. However it is certain that a slight increase or decrease in the number of RTBs can have a major impact on the available capital and revenue resources. The current projections are based on an average of 35 RTBs per annum. This is the lowest projection and based on current sales level. This is a very cautious estimate and it should be remembered that an increase in just 10 properties per year would result in almost £750,000 additional useable capital receipts by 2010.

The number of homes sold under RTB in 2005/2006 was 35, with an average sale price after discount of £77k. The useable capital receipt from homes sold in 2005/2006 was £727k. The HRA also received miscellaneous receipts for land disposal of £160k.

Elected Members have agreed that all useable capital receipts generated through the RTB are used to support/fund the Housing Capital Programme. Figure 19 details the required expenditure to meet the agreed commitment of the capital programme, which includes decent homes,

York Standard, York Pride and aids and adaptations. Appendix V details a breakdown of the capital expenditure from 2005/2006 to 2010/2011 and resources available to fund it: the capital expenditure on the HRA totals £48.8 million. This assumes the current level of regional government funding, £1 million of Supported Capital Expenditure (per year not including inflation), will be maintained. There is, therefore, a projected surplus on the HRA capital of £625k. Hence, there is no projected financial gap to meeting the DHS by 2010 and this is the key priority for the Business Plan.

The council is confident that any deficit on non-HRA housing capital activities will be met, as there are a number of options that could be considered. These include generating capital receipts from increased land and RTB sales, as well as efficiency savings and performance improvements. This position will be reviewed on an ongoing basis.

---

<sup>30</sup> Of the 35 sales in 2005/2006, by property type 28 were houses and 7 were flats.



### ***Achievements from 2005 to date***

- Implemented restructure of the housing service.
- Delivered a capital programme in 2005/6 of £6.2 million investment towards the decent homes target.
- Available NROSH data placed on SX3.
- Formalised and implemented policies for asbestos awareness procedures.
- Agreed options for one hundred non-traditional properties.
- Renewed adaptations contract for council dwellings

### ***2006/2007 –2008/2009 Priorities for Action***

- Produce an HRA Asset Management Plan
- Ensure the Asset Management Plan and the Business Plan balance and assess investment decisions against demand
- Monitor the impact of regeneration and renewal projects
- Review the current ratio of planned to responsive works
- Produce a register of adapted properties
- 
- Produce value for money strategy
- Undertake benchmarking of the housing service in terms of performance and costs – using self-assessment and service reviews
- Develop procurement strategy for all aspects of the housing service

## Conclusion

The ownership and management of council homes in York is to remain with the Council. Tenants and Councillors have expressed a clear preference to retain the service in house and the business plan details how this can be achieved. The 2005 tenants satisfaction survey indicates that 78% of tenants are satisfied with the overall service provided by the council.

The main objectives of the service are managing the housing service to encourage and support sustainable communities, and investing in council homes to meet Decent Homes Standard by 2010.

The housing service faces a number of challenges and is committed to restructuring the department to maximise resources to improve front line service delivery to customers and create an integrated housing service. The tenant participation function will be delivered through a corporate team dedicated to increasing all resident involvement in local neighbourhoods.

The Decent Homes Standard will be met by 2010 with RTB receipts being invested to meet this standard. Overall the housing stock has benefited from effective management and maintenance over the years and the York Standard Tenants' Choice Modernisation Scheme will continue to deliver the majority of the investment required. The Housing Repairs Partnership will deliver the day-to-day repairs service with the aim of improved quality of service to tenants and increased efficiency.

York is an area of high housing demand, with affordability being a key issue. The revised allocation policy, introduced in May 2006 includes an element of choice based letters for harder to let properties, it is however recognised other measures are also needed to tackle small pockets of lower demand properties, mainly bedsits and flats with hard wire warden call, and asset management planning will prioritise options for supply and demand of properties.

The financial assumptions will be reviewed on an annual basis to ensure that the service is still on target for 2010 and beyond.