

**Meeting of the Executive Members for
Housing and Adult Social Services and
Advisory Panel**

4th June 2007

Report of the Director of Housing and Adult Social Services

Housing HRA Service Plan Outturn Report 2006/7

Summary

1. To provide the Executive Member with an overview of progress on HRA Service Plan agreed in April 2006.

Background

2. The Executive Member agreed the HRA Service Plan in February 2006 for the following areas:
 - Housing Revenue Account
 - Housing General Fund
3. The process and structure followed guidelines set out by the Corporate Centre. It was agreed that the Executive Member would receive monitoring reports in September & December 2006. It was also acknowledged that both the creation of service plans and the method of monitoring were an evolving process.
4. This report covers the following areas:
 - Achievements over the year 2006/2007
 - Updates on Critical Success Factors (CSF's)
 - 2006/2007 performance on Key Performance Indicators (KPI's)
 - New external priorities or demands identified
 - Significant organisational issues
5. There are a number of aspects of the service plan for functions in the Corporate Services element of the Adult Social Services plan that relate to housing, in particular the Supporting People programme. Rather than duplicate here content from another report on the agenda the Executive Member is referred to the companion report for Adult Social Services, in particular to Annex 1- Corporate Services.

Consultation

6. The report is for information and no formal consultation has been undertaken

Options

7. This report is an overview of progress against agreed objectives and a report on the actual expenditure for 2006/7. Specific options are not being recommended to the Executive Member as part of this report.

Analysis

Achievements between April 2006-March 2007

8. There are also a number of specific achievements and improvements underway during the period:
 - A review of the rechargeable repairs process has been completed, fixed charges for the most frequently ordered rechargeable items started at the beginning of April. Further work is being done to improve recovery on the more complex rechargeable repairs.
 - The introduction of reward schemes through a prize draw and the introduction of the Golden Goodbye 'End of Tenancy Incentive Schemes'
 - Development of the DVD for new tenants, outlining tenancy rights and responsibilities, is complete. The intention is that this will be played to new tenants at the start of the tenancy and will provide a consistent message to customers about their rights and responsibilities. It is intended that the DVD will be incorporated into the induction training that estate managers and support workers run for homeless persons.
 - Housing Services agreed its improvements be launched on the councils new website during December 2006
 - Partnering Arrangements have been signed to deliver the Tenants Choice and separate Central Heating Replacement programmes, with external contractors as the main vehicles to achieve the Decent Homes Standard over the coming years
 - The remodeling of unpopular bedsit accommodation into one-bedroom accommodation at the Delwood housing sheltered scheme has been completed
 - A review of gas servicing access procedures has been carried leading to an increase in the number of properties receiving gas servicing to 98%.
 - The 'Respect' standard for housing management has been launched nationally. A landlord who signs up to the standard is making a public commitment to deliver good services to prevent anti-social behaviour and

create a culture of respect. Initial work has been undertaken within Housing Services to identify appropriate actions for York and actions required to sign up for the standard

- Work continues on the re-provision of the Discus Bungalows site with the establishment of the Project Board and the Residents Association. The documentation for the selection of a preferred development partner has been agreed with the Board and published at the end of April. Residents of the bungalows have all completed a housing transfer form and an Occupational Therapy assessment has been carried out with all residents who agreed. This will facilitate finding appropriate housing options for residents
- 100% of staff received an appraisal during 2006/7, following the re-structure of Housing Service during 2005/6.
- Web pages related to Housing Services were reviewed prior to new site going live. Four web authors from housing services have been identified and are undertaking training, regular meetings are held with the CYC web manager to monitor content and explore ideas for improving functionality.
- The customer services module of the i-world system has been developed to improve the monitoring of anti social behaviour. It is being tested at present and will be launched in the summer.
- The Housing Services Improvement Plan was reviewed and updated prior to the submission of the 2007-8 Service Plans during March 2007, including improved systems for monitoring and prioritisation.
- A new and improved complaints system has been introduced across HASS and Housing Services Management Team receive a combined complaints and service improvement report on a quarterly basis to ensure that complaints are used to drive forward service improvements in a planned way.
- Rent arrears for current tenancies have fallen by £140,000 during the year, £10,000 above target. This is reflected in the increasing percentage of rent collected as a proportion of rent due, which has increased to 97.46%.

Critical Success Factors (CSFs)

Remain on Target to meet the Decent Homes Standard by 2010

9. The service remains on target to meeting the decent homes target by 2010. As at 1st April 2006 14.79% of the council housing stock was non decent. By 1st April 2007 this had reduced to 9.80%.

Improved Performance across all landlord functions

10. There are a number of improvements in the performance of the service which should be highlighted;
 - the average re-let time has significantly improved reducing to 24 days from 32 days at end of 2005/06;
 - the number of non decent homes continues to fall;
 - rent arrears, in cash terms has reduced by over 50% in the last 3 years.
11. **Voids review**- The voids review has been completed and a plan has been developed to implement and monitor the process across Housing Services. The new voids procedure will be the vehicle to improve performance against this key target in partnership with Neighbourhood Services.
12. **Repairs**- Urgent repairs are on average taking 1.94 days to complete compared to 3.86 days at end of 2005/06, non-urgent repairs are being completed on average in 9.68 days compared to 13.9 days at end of 2005/06.
 - The percentage of repairs being completed within the target times is also increasing with 89.83% of emergency repairs being completed within target compared to 76.12% at end of 2005/06. 72.55% of P1's are being completed in target compared to 55.67% at end 2005/06 and 86.42% of P2's are being completed in target compared to 82.15% at end 2005/06.
 - Performance has improved significantly in carrying out repairs that are categorised as 'right to repair' Performance in this area has improved to 83.28% from 72.64% at end of 2005/06.

Improve tenant satisfaction and opportunities for participation

13. The revised Tenant Compact, developed in consultation with tenants and in partnership with the Neighbourhood Management Unit will be agreed by Housing and adult Social Services EMAP in June 2007.
 - The Mature Partnership Agreement and work plan underpinning this, between Neighbourhood Pride Unit and Housing Services, has been formally agreed. This will ensure a planned approach to the development of tenant involvement and engagement across Housing Services.
 - Linked to the above Mature Partnership Agreement, planning is underway across all areas of the Housing Service, including the Repairs Partnership to involve tenants in the monitoring and development of services. This is intended to promote a tenant lead approach to planning and delivering services and includes initiatives such as 'Tenant expert panels'.
 - Following the annual tenant satisfaction survey, undertaken during 2006/7, further qualitative research in the form of focus groups has been carried out with a sample of willing participants who showed dissatisfaction with key areas of the Housing Service. Priority actions

identified as a result of these focus groups will be a key focus during 2007/8 to improve satisfaction levels.

- Work is also underway to develop a planned to monitoring tenant satisfaction levels consistently throughout 2007/8 and beyond, to ensure a more responsive approach to service improvement and addressing areas of dissatisfaction.

Areas for Improvement

14. Repairs performance is improving as shown in paragraph 12. The Repairs Partnership Board and Repairs Partnership Operations Group continue to meet on a monthly basis to drive forward strategic and operational agendas to deliver ongoing service improvements. A work plan has been developed and approved by the Board to ensure a planned approach to improvements based on a process of prioritisation. A full systems review of the responsive repairs process will be carried out in the summer months focusing on the customer as well as challenging service standards.
15. HASS is developing an approach to reducing staff sickness absence across the Directorate. Monthly reports will be produced for Housing Services in order for line managers to better manage absence including monitoring trends and initiating action promptly as appropriate.
16. Staff turnover increased slightly to 15% from 13.4%, this is due in part to the restructure which commenced late in 2005.

New External Priorities

17. None

Significant Organisational Issues

18. None

Corporate Priorities

19. The service plan reflects a number of the councils objectives and priorities found in the '13 Improvement Statements'. Specific links can be made to the following:

“Outward facing”

- Improve the actual and perceived condition and appearance of 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 life chances of the most disadvantaged and disaffected children, young people and families in the city;
- Improve the quality and availability of decent affordable homes in the city.

“Improving our organisational effectiveness”

- Improve our focus on the needs of 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

Implications

Financial

20. The table below sets out the variations in accordance with the financial regulations

	Approved Budget £'000	Variation £'000	Variation %
Repairs and Maintenance			
Jobs General			
Repairs Partnership – overspends across various trades due to an increase in jobs posted to FMS within the last 3 weeks of the financial year. (investigations ongoing to establish reasons)	3,065	+321	+10.47
Anti- condensation works – reduction in works due to better informing customers on prevention.	13	-12	-92.31
Customer Compensation – mainly due to delay in introducing scheme to release under occupied housing	48	-40	-83.33
Fire Safety Servicing – very few system renewals have been required	27	-12	-44.44
Subsidence work – only lower value works have been required	87	-26	-29.89
Other variations	<u>1,055</u>	<u>-19</u>	-1.80

	Approved Budget £'000	Variation £'000	Variation %
	4,295	+212	+4.94
Projects – reduction in repair costs resulting from UPVC replacement windows fitted in previous years	902	-40	-4.43
Estate Improvements – lower than forecast requirements from residents	218	-88	-40.37
Decoration Allowance – lower demand than forecast	101	-46	-45.54
Rechargeable Repairs – lower value of rechargeable repairs offset by reduction in accounts raised	46 -46	-35 +35	-76.09 +76.09
General Management			
Job Evaluation contingency – not required in 06/07	155	-155	-100.00
Recharges – Underspends in several areas throughout HASS have resulted in a reduction in the amount charged (-£138k), in addition a higher than forecast amount for RTB administration has been charged to capital pooling (-£20k)	815	-158	-19.39
Housing Operations – saving on staffing due to vacancies and lower expenditure on temporary staff (-£116k). In addition there is an underspend on mobile working/SX3 consultancy due to delays in implementation (-£31k), savings on legal fees (-£27k), postage (-£8k), computer software (-£9k), mobile phones (£-6k) and recharges from other services (-£7k)	2,357	-204	-8.66
Asset Management – saving on staffing due to vacancies (-£70k) offset by expenditure on temporary staff (+£12k), reduction in recharge to the capital programme(+£17k), car allowances (+£6k) and (+£6k) of other minor variations.	483	-29	-6.00

	Approved Budget £'000	Variation £'000	Variation %
Discus Bungalows – expenditure on disturbance/homeloss payments, to be repaid to the HRA from receipt generated from sale of site(s)	<u>34</u>	<u>+93</u>	+273.53
	517	+64	+12.38
Energy Costs – increase in costs due to previous years billing problems	44	+48	+109.09
Temporary Accommodation – mainly due to underspend on staffing (-£52k) offset by expenditure on temporary staff (+£22k), repairs (+£65k) and utilities (+£8k)	672	+48	+7.14
Grounds Maintenance – underspend due to lower demand for garden/day to day service	352	-30	-8.52
Caretaking - saving due to employee vacancy	189	-17	-8.99
Lifts – aging lift stock required increased number of high value repairs	37	+14	+37.84
Housing Benefit Rent Rebate Subsidy Limitation – due to average HRA rents being lower than the limit rent set by government there is no contribution to be made towards rent rebates.	66	-66	-100.00
Provision for Bad and Doubtful Debts – due to rent arrears levels, for both former and current tenant arrears, and write offs being higher than forecast in the budgeted provision (+£26k). In addition an increased provision for rechargeable repairs bad debt is required (+£8k).	145	+34	+23.45
Housing Subsidy Payment – Sum set aside for changes to grant claim after audit not required offset by decrease in subsidy receivable due to lower than forecast interest rate.	4,874	-20	-0.41

	Approved Budget £'000	Variation £'000	Variation %
Rents – additional income due to:- Reduction in RTB sales (-£83k), increased income from Peasholme hostel (-£24k) due to high occupancy levels	-22,880	-107	-0.47
Non dwelling rents – higher than forecast income from garages and shops	-503	-10	-1.99
Supporting People – service reviews still being completed and implemented therefore effect of expected funding reductions not realised in 06/07.	-852	-121	-14.20
Loan interest – reduction in interest payable due to lower than forecast interest rate	1,109	-32	-2.89
Internal Interest – increase mainly due to higher balance brought forward from the previous financial year and higher average in year balance.	-168	-198	-117.86
Revenue Contribution to Capital programme – after financing the 2006/07 capital programme not all of the budgeted contribution is required. It will however be required in 2007/08 to support the capital programme	2,016	-563	-27.93
Other Minor Variations	1,024	-40	-3.91
Net change in working balance	-4,515	-1,475	

21. Summary Position - The original estimated working balance predicted on the HRA at 31st March 2007 was £4,513k. The latest monitoring report presented to the Executive Member on 11th December 2006 predicted a working balance of £4,835k at 31st March 2007.
22. The latest approved estimated balance carried forward of £4,515k has increased by £1,475k to £5,990k at outturn and the main items making up this increase are itemised above. £563k of the working balance will be required to fund the capital programme in 2007/08 and £39k will be required to fund the carry forward requests in paragraph 3 below leaving a net surplus of £5,388k on the HRA. This is an increase of £553k on the balance of £4,835k forecast in the previous quarter monitoring report. Members are reminded that this

surplus is required in future years to meet the decent homes standard in line with the approved HRA business plan.

23. In order to promote good management, and allow planned 2006/07 projects to proceed, it is proposed to continue the arrangements to permit under spending to be carried forward where the service under spends are due to genuine slippage. The carry forward requests which meet the criteria are as follows:-

		£
i)	To fund fire alarm work at Ordnance Lane committed in 06/07	10,000
ii)	Towards funding Mobile working – delayed from 06/07	25,000
iii)	To fund work with Residents Associations delayed following the introduction of the Mature Partnership Agreement	4,280

24. There are no Human Resources (HR), Equalities, Legal, Crime and Disorder, Information Technology (IT), Property or other implications.

Risk Management

25. The most significant risks that have been managed during the year are:
- increasing budget pressures and the overall financial position

Recommendations

26. The Executive Member is asked to
- Note the progress and achievements made in delivering the HRA Service Plan at the end of 2006/07
 - Agree the carry forwards outlined in paragraph 23 and refer these to the Executive for approval.
 - Reason: to inform the Executive Member on progress on the service plan and progress against objectives

Contact Details

Author:

Kate Grandfield
Strategy and Enabling Manager
554198

Chief Officer Responsible for the report:

Steve Waddington
Head of Housing
554016

Debbie Mitchell
Head of Housing & Adult Social
Services Finance
554161

Report Approved **Date** 14th May 07

Bill Hodson
Director of Housing and Adult Social Services
554000

Report Approved **Date** 14th May 07

Specialist Implications Officer(s) Finance as above (co-author)

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers:

All relevant background papers must be listed here:

HRA Service Plan 2006/07
HRA Service Plan Monitor Q1 2006/07
HRA Service Plan Monitor Q2 2006/07

Annexes

Annex 1 – Housing HRA Key Performance Indicators at Outturn 2006/07