



London Borough of Hammersmith & Fulham

**HOUSING, HEALTH AND ADULT SOCIAL CARE SELECT
COMMITTEE
21 January 2014**

Housing and Regeneration Department Key Performance Indicators

Report of the Cabinet Member for Housing – Councillor Andrew Johnson;

Report Status: Open

Classification: For Scrutiny Review & Comment

Key Decision: No

Wards Affected: All

Accountable Executive Director: Melbourne Barrett, Executive Director for Housing & Regeneration (HRD)

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1. EXECUTIVE SUMMARY

- 1.1 This report covers the period ending October 2013. Performance overall is good with 21 of the 28 targets (75%) being met or within tolerance.
- 1.2 Detailed remedial action plans are in place to address all indicators that are outside tolerance i.e. are Red.
- 1.3 A number of targets have been significantly over achieved in the month. Concentrated management action has reduce the average number of sickness days to 4.49 compared to 9.25 at the same time last year, 625 residents have been helped into sustainable employment and 3.62% more of the annual leaseholder service charges have been collected than at the same point last year.
- 1.4 The principal area of concern is Rent Collection which accounts for three of the targets which are rated as red and not improving. H&F Direct have been commissioned to collect housing rents from 1st July 2012 as part of the overall HRA Transformation Programme, to take advantage of synergies in relation to revenue collection. H&F Direct have put in place a project plan to rectify the situation with improvements being expected by 31st March 2014. The position is however being kept under close review.
- 1.4 It is also to be noted that the reporting period coincides with the ending of previous repairs and maintenance arrangements through Willmott Dixon, Kiers and others, prior to new arrangements coming into place with MITIE on 1st November 2013, and performance from the previous incumbents fell back slightly towards the end.

2. INTRODUCTION

- 2.1 The purpose of this report is to present the performance of the Housing and Regeneration Department against target for the department's key performance indicators.
- 2.2 The report details the areas where performance is behind target, the factors affecting performance and the management action being taken to remedy the under-performance.

3. PERFORMANCE

Key

Green	Target met
Amber	Within tolerance
Red	Outside tolerance

- 3.1 Financial Management

3.1.1 Performance

Indicator	Target	YTD	2012/13	Trend
% of rent collected (excluding current arrears)	100%	98.36%	99.58%	Not improving
Current tenant rent arrears as a % of rent due (excluding voids)	3.5%	4.46%	3.66%	Not improving
Former tenant arrears as a % of rent due (excluding voids)	1.00%	1.53%	1.22%	Not improving
Rent loss due to voids as a % of rent due	2.01%	1.55%	2.08%	Improving
Service Charges collected as a % of service charges due	71.6%	75.41%	71.79%	Improving
Income from expensive void disposal (£m)	£22.127m	£20.347m¹	£17.169m	Improving
Ave number of working days lost due to sickness absence	8.5 days	4.49 days	9.25	Improving

3.1.2 Factors affecting performance

As part of the Housing Revenue Account Medium Term Financial Strategy, having considered Market Testing, on 1st July 2012 the Council's H&F Direct Service took over the collection of housing rent. Since 1st April 2013 rent arrears have increased by £821k.

- £335k of this increase is due to the removal of the spare room subsidy. The Council's records currently show that the removal of the spare room subsidy is affecting approximately 712 HRA properties and that tenants impacted are paying over 26% of the difference from their other income. All tenants impacted have been written to and a programme of visits is on-going. This has and is expected to continue to result in some tenants choosing to downsize and in additional tenants choosing to make up the difference from other income.

¹ On target for year-end based on sales pipeline

Since 1st April 2013, 173 requests for downsizing have been received by the Council and of these; moves to more appropriately sized accommodation have been enabled for 37 tenancies.² The Council currently provides incentive payments of £500 per room given up to under-occupiers who downsize. Following a benchmarking exercise an increase in incentive payments to £2,000 per room is being considered by Cabinet on 3rd February 2014 as part of the annual Housing Revenue Account Financial Strategy and Rent Increase 2014/15³ which should enable further moves.

- £483k of the arrears has arisen during the implementation of the re-organisation of the Income Management Team within H&F Direct. This has now been restructured to change the way debts are allocated to staff. Instead of having fixed patches covering a specific area there are now two teams with one focusing on large debts (enforcement team) and the other on smaller debts (early intervention team). Targets have been set and performance is being monitored. Actions are beginning to take effect with 26 warrants for eviction being agreed for arrears totalling £111k in October. A project plan is in place to rectify the situation with improvements in the performance indicators being expected by 31st March 2014. The position is however being kept under close review.

A business case has been agreed for Agilisys to work on the Former Tenant Arrears debts which were being managed as well by the Council's H&F Direct Service. Agilisys have started analysing and segmenting the debt and will take appropriate action on a case by case basis.

3.2 Property Management

3.2.1 Performance

Indicator	Target	YTD	2012/13	Trend
% of all repairs completed on time	94.0%	92.45%	95.09%	Not Improving
% of properties with a valid gas certificate	100%	99.76%	99.64	Improving
% of units available for letting but vacant	0.20%	0.08%	0.37%	Improving
% of units unavailable for letting and vacant due to Regeneration	1.06%	0.63%	1.06%	Improving
% of units unavailable	0.85%	0.87%	0.87%	No change

² Figures correct as at 6th December 2013

³ This report is also part of this Housing, Health and Adult Social Care Select Committee Agenda

Indicator	Target	YTD	2012/13	Trend
for letting and vacant due to other reasons e.g. held for disposal, management voids not ready for letting				
Number of days taken to re-let empty properties (General Needs)	26 days	28.3	27.4	Not Improving
Number of days taken to re-let empty properties(Sheltered)	25 days	28.6	32.5	Improving

3.2.2 Factors affecting performance

All indicators are on target or within tolerance. Repair performance has deteriorated marginally as the old repair contracts (Kier and Wilmot Dixon) came to an end, with the new MITIE repair contract starting on 1st November. Voids turnover has been affected primarily by a small number of voids where offers of accommodation were refused on a number of occasions; the principal reasons given for refusals were the location in the borough, dimensions of rooms and specific issues such as lack of lifts in a block.

3.3 Communities

3.3.1 Performance

Indicator	Target	YTD	2012/13	Trend
Number of homeless acceptances	175	239	173	Not improving
Number of homeless households in B&B	200	96	n/a	n/a
Families in B&B over 6 weeks	0	8	46	Improving
Right to Buy	24	22⁴	4	Improving
Number of HomeBuy sales in new development	77	36	42	Not Improving
% of lettings to working households	25.0%	32.1	26.4	Improving
% of lettings to households making a community contribution	15.0%	23.1	n/a	n/a
No. of residents supported into sustainable	385	625	n/a	n/a

⁴ Based on pipeline of sales expected to be on target at year-end

employment (over 6 months)				
% of rent collected for Private Sector Leased property (including arrears)	96.0%	97.1%	n/a	n/a
% of rent collected for B&B properties	95.0%	93.6%	n/a	n/a

3.3.2 Factors affecting performance

While the number of households in Bed & Breakfast has decreased sharply, the increase in the number of homeless acceptances reflects the on-going pressure on the service as the buoyancy of the housing market in the Borough makes access to the private sector more difficult for people on low or modest incomes. As a result the number of applicants from the Private Rented Sector has increased and it remains difficult to secure private rented accommodation as an alternative to the making of a homelessness application. In response to this we are carrying out the following:

- Negotiating with landlords at the first point of contact.
- Assisting applicants to remain in their existing accommodation e.g. through negotiation or via a DHP claim.
- Assisting applicants to find alternative accommodation utilising the rent deposit guarantee scheme.
- Increasing incentives to private sector landlords.
- Discharging our homelessness duty into the Private Rented Sector.
- Encouraging applicants threatened with parental eviction to apply via the Housing Register (where they qualify).

The number of HomeBuy sales thus far in the year reflects the revised phasing of handovers of properties due for completion during the year, 170 flats are being developed by Notting Hill Housing in “The Bloom” in Bloemfontein Road. The 1st and 2nd phases have now been launched and 98 nominations have already been made for HomeBuy properties in that development. However, completion of the development by Notting Hill has slipped from the original timetable and this is reflected in the number of sales to date.

B&B rent collection is down mainly due to issues with claiming Housing Benefit for what can be very short periods of time. As such, a number of improvements have been implemented including identifying a dedicated officer to collect documents and information from each claimant, meeting with Housing Benefit to ensure claims are fast tracked and escalating recovery actions against non-cooperating claimants. This should result in improved collection rates going forward.

3.4 Quality Assurance

3.4.1 Performance

Indicator	Target	YTD	2012/13	Trend
% very or fairly satisfied with repairs and maintenance	78.0%	82.6%	84.7%	Not Improving
% valid (in date) Fire Risk Assessments updated for agreed works on qualifying properties	100%	65%	n/a	n/a
% of Stage 1 complaints upheld	55.0%	58.7%	49.9%	Not Improving
% of calls answered within 20 secs	80.0%	70.0%	80.0%	Not Improving

3.4.2 Factors affecting performance

Stage 1 complaints upheld are broken down as follows:

- Property Services: 77.5%
- Housing Services: 14.2%
- Housing Options: 6.0%
- Finance & Resources: 2.3%

56.1% of all stage 1 complaints upheld were for responsive repairs followed by gas compliance at 9.0%, performance in this areas has deteriorated as the old repairs contracts came to an end, with the new MITIE repair contract starting on 1st November.

There are currently Fire Risk Assessments (FRA's) for all HRA properties and any works identified as part of these assessments have been factored into relevant planned annual programmes of work for completion. At the point of the completion of works the relevant FRA's will be updated. This approach has been discussed and agreed with the London Fire Brigade who continue to hold regular meeting with Officers to go review the on-going works programmes. The difference in the percentages reflects those FRA's that are to be updated once works are completed.

The speed of call answering by the Customer Service centre have deteriorated as the old repairs contracts came to an end, this teams forms part of the new maintenance contract and TUPE'd to MITIE on 1st November 2013.

4. RECOMMENDATIONS

- 4.1 The Select Committee are asked to note the contents of the report.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Housing and Regeneration Department scorecard	Kathleen Corbett Ext 3031	Housing and Regeneration Department, 3 rd Floor Town Hall Extension, King Street