

BOROUGH OF BARROW-IN-FURNESS

HOUSING MANAGEMENT FORUM

Meeting: Thursday 20th January, 2011
at 2.00 pm (Committee Room 4)

Group Meetings at 1.15 pm

A G E N D A

PART ONE

1. To note any items which the Chairman considers to be of an urgent nature.
2. Admission of Public and Press

To consider whether the public and press should be excluded from the meeting during consideration of any of the items on the agenda.

3. Disclosure of Interests

A Member with a personal interest in a matter to be considered at this meeting must either before the matter is discussed or when the interest becomes apparent disclose

1. ***The existence of that interest to the meeting.***
2. ***The nature of the interest.***
3. ***Decide whether they have a prejudicial interest.***

A note on declaring interests at meetings, which incorporates certain other aspects of the Code of Conduct and a pro-forma for completion where interests are disclosed accompanies the agenda and reports for this meeting.

4. Confirmation of minutes of meeting held on 2nd December, 2010
5. Apologies for Absence/Changes in Membership.

FOR DECISION

OPERATIONAL

- (R) 6. Housing Revenue Account 2011/12.
- (D) 7. Housing Maintenance Investment Programme 2011/12.

FOR INFORMATION

8. Performance Information Report – April 2010 to December 2010
9. Planned Maintenance Programme 2011/12.

NOTE: (D) – Delegated to the Executive Committee
(R) – Referred to the Council

HOUSING MANAGEMENT FORUM MEMBERS:

Councillors: T. A. Biggins
J. D. Heath
L. Hammond
M. Irwin
D. V. James
R. J. Pointer
J. Waiting
J. Richardson

Tenant Representatives: Mrs. P. Charnley
Mrs. M. Burgess
Mr. N. Hird
Mrs. K. Hotchkiss
Mr. A. McIntosh
Mr. T. Slater
Mr T Wilson
Ms. C. McFadyen
Mr W Ward (substitute)

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Published: 12th January, 2011

HOUSING MANAGEMENT FORUM

Meeting: 2nd December, 2010
at 2.00 p.m.

PRESENT:- Councillors Biggins, Hammond, Irwin, Pointer, Richardson and Waiting.

Tenant Representatives:- Mrs P. Charnley (Chairman), Mrs M. Burgess, Mrs K. Hotchkiss, Miss C. McFayden, Mr T. Slater and Mr W. Ward.

30 – Minutes

The Minutes of the meeting held on 26th August, 2010 were agreed as a correct record.

31 – Apologies for Absence

Apologies for absence were submitted from Councillors Heath and James and Mr A. McIntosh.

32 – Rent Payment by Direct Debit: Offering Incentives

The Housing Manager reported that the Housing Service now offered the facility to tenants to pay their rent by Direct Debit at four weekly, two weekly and monthly intervals.

The purpose of the improvement initiative had been to reduce the number of tenants falling into arrears and reduce the cost of collecting rent. Over the recent past it had been agreed to encourage the use of Direct Debits, in the case of garage occupiers, in that all new licences to occupy would be conditional on payment by Direct Debit. That had worked successfully and there had been little resistance to the process.

Whilst Direct Debit may not be appropriate for all customers, it would be an advantage to encourage as many as possible to move to that method of payment. At present the Council had less than 20% of tenants who paid by Direct Debit and 571 tenants of those were more than one week in arrears. Potentially there were many other tenants who could pay their rent by Direct Debit.

He commented that it was sometimes appropriate to offer incentives to tenants in order to highlight a change in service and to change their behaviour and he suggested that three free cash draws of £50 per month be introduced for all tenants who pay and continue to pay their rent by Direct Debit. He suggested that the incentive be operated for a period of six months and reviewed after that date.

RECOMMENDED:- To agree the introduction of three free cash draws of £50 per month for a period of six months to encourage the take up and continuation of payment of rent by Direct Debit, to be funded from HRA resources.

33 – Cumbria Choice: Choice-Based Lettings Scheme (CBL)

The Housing Manager reminded the Forum that a Countywide Choice-Based Lettings Scheme (CBL) was being progressed.

There were 14 partners including all the district and the majority of housing associations. Accent were participating locally, as were Home Housing Association and Two Castles, who owned property locally.

He informed the Forum that the project team was progressing the necessary operational arrangements for the scheme to be implemented in March 2011.

That included application forms and operating guidance that would be common to all the partners.

Delivery of the service was achieved via an IT system called Abritas. That was a web-based system which would be hosted, managed and maintained by the supplier. It gave greater access to customers through modern communication methods including on-line registration and bidding, automatic telephone and text bidding.

During January to March the Housing Service would be carrying out a review of the Council's current waiting lists and creating a new register using the Abritas system. In that time properties would continue to be allocated in accordance with the Council's current policy.

He also reminded the Forum that at its meeting on 17th June, 2010 it had agreed the draft Allocations Policy.

It had been reported within the previous report to HMF the Project Board commissioned Andy Gale, Specialist Advisor for the Communities and Local Government (CLG), to review the policy on a practitioner basis. Andy Gale had provided a feedback report to the Project Board which had resulted in minor changes to the Allocations Policy.

The changes to the Allocations Policy were considered by the Forum.

He commented that the Housing Services were now also concentrating on how CBL and reletting of vacant properties would be managed. That had included 'mapping' the various stages involved in the process.

A copy of the process map was considered by the Forum.

RECOMMENDED:- (i) To note the progress and date for implementation;

(ii) To agree amendments to the Allocation Policy; and

(iii) To agree the future operational arrangements to ensure the effective management of vacancies that arise and the re-letting process.

34 – Performance Information Report – April 2010 to September 2010

The Housing Manager submitted information relating to a selection of local and national performance indicators and the best value performance indicators. He informed the Forum that the format in which the information was previously presented had been altered. He requested Members' approval of the new format, after which, the information would be completed. The information was as follows:-

Performance Indicator	Actual 2008/9	Actual 2009/10	Apr -Jun	Apr - Sept	TARGET
£ Rents Collection					
£ Rent collected	£ 8,278,622	£ 8,546,587	£2,005,563	£4,291,981	
Rent collected as % of rent owed	97.57%	98.46%	96.31%	96.38%	
£ Current Arrears	£ 219,901	£ 165,452	£179,365	£190,268	
£ Former Arrears	£ 150,501	£ 123,432	£111,664	£125,382	
Write Offs	£ 146,643	£ 129,709	£23,392	£44,945	
Tenants evicted for rent arrears	24	18	1	6	
Current tenants arrears % of rent owed	2.59%	1.91%	NA	4.27%	
Former tenants arrears % of rent owed	1.77%	1.42%	NA	2.82%	
£ Rent arrears Garages	£4,500	£4,094	£4,036	£5,557	
£ Rent Arrears Shops	£29,714	£28,131	£26,578	£28,390	
Void management					
No. of Voids	378	281	67	156	
Average relet time for dwellings (days)	30	31	28	30	
£ rent loss through vacant dwellings	£ 116,363	£ 101,530	£16,715	£35,639	
£ rent loss due to vacant garages		£4,873	£1,268	£2,594	
£ rent loss due to vacant shops		£4,253	£393	£1,253	
% properties accepted on first offer	NA	NA	NA	NA	
Cost per Void (Rents, Repairs, Mgt & Arrears)	NA	NA	NA	£3,158.12	
Homeless average days in temporary dispersed accommodation	56	£47	35	51	
Homeless average days in temporary B&B accommodation	18	22	20	31	
Maintenance					
No. Repair Orders issued	10644	16,709	3518	4405	
% emergency repairs completed on time	89%	97%	99.96%	99.6%	
% urgent repairs completed on time	78%	88%	88.9%	90.4%	
% routine repairs completed on time	79%	93%	94%	92.8%	
% all reactive repairs completed on time	NA	81%	94.60%	94.1%	
Average end-to-end time for all reactive repairs (days)	7.2	12.6	11.1	10.5	
Percentage of repairs completed right first time	NA	NA	NA	NA	
Appointments kept as a percentage of appointments made	NA	97%	NA	NA	
Appointments made as a percentage of repairs orders	NA	100%	NA	NA	
Percentage of dwellings with a valid gas safety certificate	97.9%	99.5%	98.4	99.6	

Average time taken to answer inbound telephone calls (in seconds)	NA	NA	NA	NA
Percentage of homes that fail to meet the Decent Homes Standard	0.2%	0%	0%	0%
*Average energy efficiency rating of dwellings (based on SAP 2005)	75.4%	76.20%	*	
Equality & Diversity				
ASB cases reported	126	213		
Percentage of closed ASB cases that were successfully resolved	NA	13.1%		
% Vulnerable people achieving independent living	61.7%	87%	100%	93%
% Diversity Information : Age	100%	99.90%	99.90%	99.92%
Gender	100%	100%	100%	100%
Ethnicity	24.8%	66.90%	66.90%	94.76%
Disability	24.8%	42.40%	42.40%	44.29%
Sexuality	24.8%	43%	43%	41.26%
Religion or belief	24.8%	43%	43%	42.61%
Percentage of Stage 1 complaints upheld	0	0		
Performance Indicator	Actual 2008/9	Actual 2009/10	Actual 2010/11	TARGET
Satisfaction				
Percentage of leaseholders satisfied with the landlord's services overall	87%	NA	*	
Percentage of tenants satisfied with repairs and maintenance	88%	NA	*	
Percentage of tenants satisfied that their views are taken into account	76%	NA	*	
Percentage of new tenants satisfied with the allocation and letting process		NA	*	
Percentage of residents satisfied with estate services	81%	NA	*	
Value for Money - Cost per property - direct costs				
Major & Cyclical works (service)	£ 1,231.3	£ 1,406.0	*	
Responsive Repairs	£ 606.8	£ 400.5	*	
Void Repairs	£ 93.1	£ 131.8	*	
Rent Arrears & Collection	£ 68.1	£ 79.9	*	
Community Involvement	£ 26.7	£ 30.9	*	
Anti Social Behaviour	£ 25.9	£ 37.2	*	
Neighbourhood Mgt (Estates)	£ 101.3	£ 125.6	*	
Housing Options	£ 53.8	£ 44.6	*	
Leasehold	£ 7.4	£ -	*	
Total staff turnover	5.1%	8%	*	
Ave. working days lost / sickness absence	11.3	14.0	*	
Value for Money - TL Cost per property inc overhead				
Major & Cyclical works (service)	£ 1,266.2	£ 1,457.9	*	
Responsive Repairs	£ 671.0	£ 457.3	*	
Void Repairs	£ 104.2	£ 147.6	*	
Rent Arrears & Collection	£ 124.3	£ 133.6	*	
Community Involvement	£ 44.7	£ 52.7	*	
Anti Social Behaviour	£ 55.3	£ 70.5	*	

Neighbourhood Mgt (Estates)	£ 141.6	£ 177.6	*
Housing Options	£ 95.2	£ 79.9	*
Leasehold	£ 14.0	£ -	*
Overhead cost per property	£ 159.9	£ 172.9	*
TL cost per property	£ 2,676.3	£ 2,750.0	*
Employee cost	£ 1,341,345	£ 1,417,694	*

NA denotes indicator not yet available

* denotes indicator collected annually not quarterly

NEW TENANCIES		6th April 2009 to 4th April 2010
Housing Register		76
Transfers:		32
General		2
Management		2
Medical		13
Under/over Occupancy		15
Homeless		14
Mutual Exchanges		19
Total Relets		141

Housing Property	Dwellings	Dispersed
HSE	1295	0
FLATS	1251	10
BUNGALOWS	156	0
SHOPS	21	0
GARAGES	484	0
TL DWELLINGS	2702	10

SOLD PROPERTIES	No	£
HSE	2	£115,500
FLAT	2	£29,200
TL	4	£144,700

Key:

NA = Data not yet available

Blank boxes = Annual figures to be provided

A Member requested accurate figures relating to the housing waiting list and homelessness be presented at future Forums.

RESOLVED:- (i) That the format of the performance information report be agreed and information noted; and

(ii) That the Homelessness Working Party be tasked with providing the Forum with figures in relation to the housing waiting list and homelessness.

35 – Planned Maintenance Programme 2010/11

The Housing Manager reported at the last meeting on 26th August, 2010 Members had agreed to procure a new Maintenance Contract.

As the response to expressing interest for the contract was extremely low the Housing Manager advised Members that he had instructed to re-advertise, which would delay the process by approximately 8 weeks.

The Housing Manager also reported information relating to the progress of the Planned Maintenance Programme for 2010/11 as at 12th November, 2010. The information is attached as **Appendix A** to these Minutes.

RESOLVED:- To note the information

The meeting closed at 2.30 p.m.

PLANNED MAINTENANCE PROGRAMME 2010/11 @ 12th NOVEMBER 2010

SCHEME	CONTRACTOR OR SUPPLIER	AVAILABLE BUDGET	NO OF PROPERTIES	INVOICES PAID TO DATE	START DATE	ESTIMATED COMPLETION DATE	CONTRACTOR	TARGET COST	OUT TURN ESTIMATE	COMMENTS
REWIRES	CUMBRIA HOUSING PARTNERS	£283,543	Phase 1 - 70 Properties Phase II - 77 Properties	£119,000	01/04/2010 and 01/10/2010	Feb-11	AB MITCHELL (via K Wilson)	£130,000 £155,000	£283,000	90% COMPLETE 50% COMPLETE
BATHROOMS I	CUMBRIA HOUSING PARTNERS	£200,000	82 PROPERTIES PENNINE/RAGLAN COURT	£108,000	Apr-10	Feb-11	AB MITCHELL	£184,218	£200,000	60% COMPLETE
BATHROOMS II	CUMBRIA HOUSING PARTNERS	£100,000	42 PROPERTIES	£26,000	Nov-10	Feb-11	AB MITCHELL	£102,000	£100,000	20% COMPLETE
KITCHENS I	CUMBRIA HOUSING PARTNERS	£500,000	190 PROPERTIES	£113,625	Apr-10	Feb-11	AB MITCHELL	£462,019	£500,000	30% COMPLETE
KITCHENS II	CUMBRIA HOUSING PARTNERS	£225,000	70 PROPERTIES ORMSGILL/WALNEY	£0	Dec-10	Mar-11	AB MITCHELL	£177,000	£225,000	0% COMPLETE
HEATING 1	CUMBRIA HOUSING PARTNERS	£475,000	155 Properties via CHP 20 One Off systems via Integral	£207,000	Apr-10	Feb-11	AB MITCHELL INTEGRAL	£425,000 £100,000	£475,000	70% COMPLETE 15% COMPLETE
HEATING II	CUMBRIA HOUSING PARTNERS	£375,000	90	£37,000	TBC	TBC	AB MITCHELL INTEGRAL	£365,000	£375,000	30% COMPLETE
DOOR ENTRY REPLACEMENTS	SS GROUP	£200,000	ALL FLATS WITH COMMUNAL ENTRANCES	£56,000	Mar-10	Feb-11	SS GROUP	£172,000	£200,000	30% COMPLETE
PAINTING	CUMBRIA HOUSING PARTNERS	£200,000	400	£118,000	Apr-10	Feb-11	GH JONES	£155,000	£160,000	98% COMPLETE

HOUSING MAINTENANCE COMMITMENTS 2010/11 @ 12.11.2010

	Funding Available 2010/11	Gross COMMITMENT	Weekly Available	Gross Comm. as a % funds available	
Tenant Demand Repairs	£900,000.00	£404,780.00	£17,307.69	45%	
Voids	£175,000.00	£101,716.00	£3,365.38	58%	
Gas Servicing	£425,000.00	£122,521.00	£8,173.08	29%	
Decoration Vouchers	£35,000.00	£15,760.00	£673.08	45%	
Fire Damaged properties	NIL	£29,205.00	NIL		Claim via Insurance company
Disrepair Claims	£25,000.00	£278.00	£480.77	1%	
Environmental Impmts	£50,000.00	£24,685.00	£961.54	49%	
Disabled Adaptations	£250,000.00	£160,241.00	£4,807.69	64%	
Electrical Testing	£175,000.00	£31,854.00	£3,365.38	18%	
Door Entry	£120,000.00	£2,318.00	£2,307.69	2%	£100k accrual brought forward from previous year
Total	£2,230,000.00	£893,358.00	£11,923.08		

HOUSING MANAGEMENT FORUM	(R) Agenda Item 6
Date of Meeting: 20th January, 2011	
Reporting Officer: Colin Garnett, Housing Manager	
<p>Title: Housing Revenue Account 2011/12</p> <p>Summary and Conclusion:</p> <p>The purpose of this report is to agree a Housing Revenue Account Budget for the financial year 2011/12.</p> <p>The report also provides an Expected Outturn Budget for the current year 2010/11 and information regarding balances.</p> <p>Recommendations:</p> <p>To approve the Housing Manager's recommendations and request the Executive Committee:</p> <ol style="list-style-type: none"> 1. To note the information at (1) of the report; 2. To note the information on balances at (2) of the report; 3. To agree the 2011/12 budget as shown at Appendix A of the report; 4. To agree an average increase of 6.05% in line with Rent Restructuring guidelines and note the effect on individual rents as shown at Appendix B of the report; 5. To agree an increase of Garage charges of 6.05% point 4.1 of the report; 6. To agree the deletion of the Homelink Supervisor Post (Post No. OHS 200) point 4.2; and 7. To agree the action contained in point 4.3 of the report. 	

Report

The purpose of this report is to agree a Housing Revenue Account Budget for the financial year 2011/12.

The Report also provides an Expected Outturn Budget for the current year 2010/11 and information regarding balances.

The expected outturn and proposed HRA for 2010/11 is attached at **Appendix A**.

In drafting this report I have followed the subsidy determination provided in this year's guidance on rent setting and Housing Subsidy.

1. Expected Outturn Budget 2010/11

The forecast outturn for the year is:

- (i) Rental Income sales during the year are in line with expectations.

- Sales assumed in original 2010/11 budget = 6 dwellings
- Sales current expectations 2010/11 = 6 dwellings (5 completed as at December 2009)
- Rental income is expected to be in line with budget

(ii) Salaries

Changes in personnel, working hours and unfilled vacancies have resulted in savings estimated to be £113,610 for the year.

2. Balances on the Expected Outturn for 2010-11

The above is likely to result in the following movement in balances.

2.1	Balance on the Major Repair Reserve as at 31 March 2010	:	<u>£ 411,486</u>
	MRA funding adjustment brought forward 2010-11	:	£ (300,000)
	Net additional available to spend in 2010-11	:	£ 111,486

The above additional funds are expected to be spent along with the year's MRA allocation; therefore balance on MRA reserve at 31 March 2011 is expected to be zero.

2.2	Balance on the Housing Revenue Account as at 31 March 2010	:	£ 823,061
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2.3 Breakdown of Balance on Account

	Balance on the Housing Revenue Account as at 31 March 2010	:	£ 823,061
	Forecast Deficit 2010-11*	:	£ (52,310)

	Estimated Balance at year end	:	<u>£ 770,751</u>

*The subsidy repayment is forecast to rise to £687,190 or £194,940 more than budget.

The Balance is in line with the recommended minimum balances as suggested by the Borough Treasurer.

3. Draft Proposed HRA 2011/12

In developing a proposed budget for 2011/12 the following factors have been taken into account:

3.1 The formula for calculating the Housing Revenue Account subsidy is unchanged from the 2010-11 determination but there are changes to certain key factors which adversely affect the major repair, management and maintenance allowances we receive.

- The weighting given to the ratio of flats and high rise flats has increased compared to low level flats and houses
- Our relets & terminations have fallen by 25%
- Right to Buy sales reduce our stock level

The reduction in allowances is, in part, mitigated by an examination and correction of our terraced house stock classification from small to large which improved our allowances by £99,540

	Estimated movement in allowances by	:	£ (27,914)
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3.2 Rent increases will be applied in accordance with the rent restructuring plans (further details are shown below) – currently averaging 6.05%.

- Overall staff expenditure will be reduced by £200,000
 - General inflation of 0% on salaries.
 - Increases to NI and changes to the way that superannuation is treated accounts for £120,000.
- The balance of £85, 910 is the net result of taking the following actions
 - Deleting the posts of the Senior Services Officer for Income & Debt Recovery and the balance of hours from the Tenancy Services Manager becoming a part time role, re-designating the role of Senior Customer Services Assistant to Customer Services Assistant all of which have previously been agreed to by Committee.
 - It also includes the saving which is accrued by the ongoing vacancy of the Homelink Supervisor which I would recommend is deleted and to which I will refer later in this Report.
- 0% on utilities or in line with contractual increases.
- Rental income is based on sales of 8 dwellings in 2011/12.

3.3 As referred to above, rent levels are dictated by the rent restructuring rules.

Rent restructuring is a mechanism which will harmonise rents across the country. Every property has a Target Rent determined by the property's value, size and location and every year rents are uplifted by the formula of half a % above inflation to move rents towards the Target Rent. Increases are capped so that they remain affordable. For 2011/12 the increase is based on an RPI of 4.6% + 0.5% and the date for convergence for the Target Rent has extended from 3 to 5 years.

Current Rent (48 wks)	Current Rent (52 wks)	Uplifted by 5.1% (52 wks)	Uplifted by 1/5 th (52 wks)	Affordability Caps Limit (52 wks)	Target Rent (52 wks)	New Rent (48 wks)
£91.59	£84.54	£88.85	£90.24	£90.24	£95.78	£97.76

The government national average guideline rent increase for 2011/12 is 6.8% and the effect of this for this authority is as follows:

	48 Weeks	52 Weeks
2011/12	64.14	69.48
2010/11	60.48	65.52
Increase	6.05%	6.05%

Attached at Appendix B are further details of the resultant rents for different property types. Rents on an individual property basis will differ.

3.4 The housing repairs and maintenance budget has been adjusted in line with the subsidy guidelines allowing £1,121 per dwelling.

4 Other Charges

4.1 Garage Charges

As it is normal practice to recommend that garage rents are increased in line with residential properties the proposed budget includes a £6.05% increase on garage charges which generates £16,232.

The effect on individual garage charges would be as follows:

	2010/11	+4%	+6.05%	+8%
Garage rate 1	£5.45	£5.64	£5.78	£5.89
Garage rate 2	£7.79	£7.38	£7.99	£8.13
Increase		£11,950	£16,232	£19,506

Please note that VAT is payable in addition to the above charges for garage holders who are not also Council tenants. VAT increased 10 January 2011 from 17.5% to 20%.

There is a 100 strong waiting list garages with few vacancies.

I would, therefore, suggest you give consideration to increasing current rents by 6.05%.

4.2 Homelink

The Income for Homelink tenants is influenced by the Contract Arrangements that are in place with Supporting People. I am not proposing any changes to Homelink charging at this time.

It was my intention to complete a Review of the Service in parallel with a County Wide review of such services by Supporting People. A timetable has now been published for the review to be completed by September 2011.

It is projected that the income for the service for 2011/12 will be c£55k. This includes savings that are accruing from the non-filling of the Homelink Supervisors role (Post no OHS 200).

The responsibilities of this Post have changed significantly from when it was created and we operated a Call Handling Facility. In consideration of the deficit on this Service area and ongoing pressure on the HRA generally I would recommend the Post be deleted.

4.3 Other Charges

Previously the principle has been agreed to vary certain charges as required to reflect the full cost of the service. These charges are altered when contracts are reviewed. Areas covered by this are staircase cleaning, supported tenancies, furnished tenancies, and dispersed accommodation.

I would recommend this principle be continued.

5. **Housing Revenue Account Review**

As you are aware I have previously advised on the changes that are planned to the current HRA financing arrangement by the coalition who will introduce a Self Financing model for April 2012. Further information will be provided as it is released. In the meantime there is provision within the budget for £20,000 to obtain assistance and advice on the correct approach to take.

6. Business Improvement Initiatives

Work has started on restructuring cost centres so that the components and costs of delivering each of the Housing services areas can be pinpointed, compared and improved. Other initiatives include:

- Looking more closely at the revenue and expenditure on Shops, Garages, Leaseholding and Homeless accommodation.
- Process improvements which streamline and reduce costs on Lettings, Void Management and Rent Collection
- Reviewing current Information Systems and Technology to support the improvements and reduce IT costs
- Work has begun on 'Depooling', a term used to mean the separation of rent and service charge creation elements from the Rent and is a step which is advised preparatory to Self Financing. The findings will be brought to committee in due course.

6. Summary

The proposed HRA budget for 2011/12 has been drafted to reflect the latest guidance.

The proposed rent increase is in line with the rent restructuring plan and provides a convergence date of 25th April 2015.

Legal Implications

Proposals in report reflect guidance on rent restructuring.

Financial Implications

Management procedures are in place to regularly review expenditure and ensure it's within budget.

Health and Safety Implications

Not Applicable.

Key Priorities or Corporate Aims

Corporate:

Meet the housing needs of the Borough and make decent housing more accessible.

Housing Service:

Prudent financial management to ensure financial resources are used effectively with regards value for money.

Risk Assessment

Not Applicable.

Equal Opportunities

Not Applicable.

Background Papers

2011/12 Subsidy Determination.

HRA Budget Subjective Summary

Barrow Borough Council

* changes re final determination

	Actual 2009-2010	Original Budget 2010-2011	Outturn Budget 2010-2011	New Budget 2011-2012
Housing Revenue Account				
INCOME				
Dwelling rents	(8,336,247)	(8,405,900)	(8,405,900)	(8,873,220)
Other rents	(306,845)	(315,360)	(315,360)	(322,480)
Charges for services and facilities	(317,648)	(318,080)	(287,410)	(282,720)
Other income	(38,359)	(41,070)	(104,210)	(28,400)
Total Income	(8,999,099)	(9,080,410)	(9,112,880)	(9,506,820)
EXPENDITURE				
Repairs and maintenance	2,959,661	2,930,280	2,930,280	3,028,330 *
Supervision and management	2,650,321	2,826,390	2,712,780	2,680,580
Housing subsidy payable	192,219	492,250	687,190	891,000 *
Depreciation and impairment - Dwellings	274,581	1,530,050	1,530,050	1,622,660
Depreciation and impairment - Operational assets	111,797	132,500	132,500	86,570
Bad debt provision	43,685	90,600	90,600	58,740
Debt management expenses	11,943	12,320	12,320	12,310
Total Expenditure	6,244,207	8,014,390	8,095,720	8,380,190
NET COST OF SERVICES	(2,754,892)	(1,066,020)	(1,017,160)	(1,126,630)
HRA share of CDC	110,938	124,670	124,670	127,570
HRA share of NDC	(6,579)	0	3,450	38,510
NET COST OF HRA SERVICES	(2,650,533)	(941,350)	(889,040)	(960,550)
Gains and losses on HRA assets	(35,855)	0	(260,200)	0
Gains and losses on HRA contingent assets	(50,678)	0	(3,590)	0
Interest payable	469,638	407,350	407,350	483,590
Interest on mortgages	(261)	(450)	(450)	(150)
Interest on pension liabilities	830,000	832,000	832,000	830,000
Expected return on pension assets	(478,000)	(609,000)	(609,000)	(478,000)
SURPLUS / DEFICIT ON HRA SERVICES	(1,915,689)	(311,450)	(522,930)	(125,110)
Statutory debits / credits to the HRA				
Reversal of grants fully released	35,901	0	0	0
Reversal of grants released	46,769	31,690	31,690	23,260
Reversal of impairment loss	(121,307)	0	0	0
HRA premiums on early repayment of debts	251,077	251,120	251,120	130,010
HRA discounts on early repayment of debts	(10,004)	(10,050)	(10,050)	(10,080)
HRA net charges for retirement benefits	(476,834)	(223,000)	(223,000)	(352,000)
Gain on sale of fixed assets	35,855	0	260,200	0
Gain on sale of contingent assets	50,678	0	3,590	0
Gain on previous HRA impairment	1,368,251	0	0	0
Transfer to MRR	641,101	371,800	371,800	269,180 *
Transfer from MRR	(147,812)	(132,500)	(132,500)	(125,080)
HRA employer's contribution to pension scheme	264,932	22,390	22,390	189,820
NET (SURPLUS) / DEFICIT	22,918	0	52,310	0

HOUSING MANAGEMENT FORUM		(D) Agenda Item 7
Date of Meeting:	20th January, 2011	
Reporting Officer:	Colin Garnett, Housing Manager	
<p>Title: Housing Maintenance Investment Programme 2011/12</p> <p>Summary and Conclusion:</p> <p>The purpose of this report is to consider and agree the expenditure profile for the financial year 2011/12. The proposed Profile and Priorities are based on the agreed five year Asset Management Strategy 2010.</p> <p>The Report provides details of progress during the current year and details of ongoing investment.</p> <p>Recommendations:</p> <p>Members are asked to:</p> <ol style="list-style-type: none"> 1. To note the progress on achieving the Decent Homes Standard shown at point 1; 2. To agree principles highlighted in point 2; and the annual Investment Profile attached at Appendix C; and 3. To agree to deliver a significant proportion of the investment proposals attached at Appendix D through Cumbria Housing Partners subject to compliance with the frameworks group accounting requirements. 		

Report

The purpose of this Report is to agree the spend profile for the Housing Services Investment Plans for 2011/12. The expenditure profile and priorities are based on the five year Asset Management Plan agreed at this meeting on 26th August 2010.

Details of progress during the current year are also provided.

The Report provides up to date details of the properties scheduled for work during the year and how the work should be delivered.

Background

The 2011/12 Investment Programme is funded from the Housing Revenue Account or from the Major Repairs Allowance. The principles adopted in drafting these proposals continue with the previously agreed targets and seeks to ensure:

- The Council achieves the Decent Homes standard.
- The aspirations of tenants are considered and incorporated within plans.
- To work collaboratively with other housing providers and contractors to improve delivery of planned and responsive repairs services.

In addition they seek to reflect the priorities of the 5 Year Asset Management Strategy to;

- Increase the percentage of bathrooms less than 15 years old from 40% to 60% by 2012
- Increase the percentage of kitchens less than 15 years old from 40% to 60% by 2012
- We achieve and maintain a 60% (planned works) and 40% (routine works) split of our revenue funded investment budget.

Properties identified for improvement are completed on a “worst first” and “just in time” basis.

Programmes of delivery reflect the need to satisfy Decent Homes requirements and are based on the results from the independent Stock Condition Survey completed in March 2010. Properties scheduled for investment during 2011/12 are shown in Appendix D.

1. Progress during the Current Year 2010/11

All planned investment works have progressed satisfactorily during the year.

Investments via CHP have continued to be an effective delivery method in terms of value for money, compared with historical costs. Additional efficiencies have been made through improved delivery by providing a streamlined approach to the management, administration and monitoring of the contracts.

Progress on delivery will continue to be reported to this Forum on a regular basis through the Information Report.

The table below gives an indication of the number of properties that have benefited from the more significant Investment Plans and will be updated where appropriate at year end.

Type of Work	No of Properties due for improvement in 2010/11	No of Properties Completed at 31/12/2010
Kitchens	300	258
Bathrooms	159	94
Central Heating	275	180
Rewires	147	82
Painting	400	400
Minor Adaptations	N/A	124
Major Adaptations	N/A	70

It is our normal practice when presenting this report to provide an update on the number of properties failing the decent homes standard.

Our assessment is based on information provided by the independent Stock Condition Surveys carried out in 2006 and 2010. The updated property records of the investment work completed since the survey indicates that the current position is:

	Number of properties failing the decent homes standard	Percentage of Stock
Baseline survey 20.6.2006	509	18%
as at 1.4.2009	6	Less than 1%
as at 7.6.2010	32*	1%
as at 31.12.2010	0	0%

* The 2010 Stock Condition Survey results indicated a small number of newly occurring failures due to the introduction of the Housing Health and Safety Rating System (HHSRS). The 32 failures identified at the time of the survey have now been rectified.

2. Suggested Investment Profiles for 2011/12

Attached at **Appendix C** is a suggested investment profile for 2011/12.

In terms of putting the proposals in context, they are based on a proposed investment profile of £4,943,426 in 2011/12 compared with a budgeted investment of £4,864,293 in the current year.

The profile follows the “sustainable” investment model identified in the 2010 asset management plan and builds on existing priorities to upgrade kitchens, bathrooms, heating and electrical circuits on a worst first basis. Members will note that around £150,000 has been allocated to carryout essential re-pointing works to sheltered accommodation on Walney. The re-pointing work will ensure severely exposed properties remain wind and water tight.

3. Progressing the Planned Investment Works

The majority of our planned works have been delivered through our arrangement with CHP. A new four year framework has been established with CHP and GM Procure and I would propose that we continue with this arrangement as it has demonstrated significant cost savings and Gershon efficiencies. We are currently in the process of tendering a series of “mini competitions” to appoint suitable contractors to commence our investment programmes from April 2011.

Legal Implications

Not Applicable.

Financial Implications

Appendix C provides details of expenditure to deliver the programme funded by HRA contribution and MRA.

Health and Safety Implications

The delivery of contracts is carried out in accordance with the Council’s Health and Safety Policy and specific guidance where appropriate

Key Priorities or Corporate Aims

Corporate: Meet the housing needs of the Borough and make decent housing more accessible

Housing Service: Investing and maintaining homes and estates to the best standard possible with the resources available

Risk Assessment

Management systems are in place to regularly monitor on delivery and expenditure

Equal Opportunities

Not Applicable.

Background Papers

Not Applicable.

2011/12 Investment Profile**£4,943,426****Routine Maintenance**

£900,000 Tenant Demand Repairs
 £200,000 Void Repairs
 £30,000 EPC Surveys
 £32,000 Decoration Vouchers
 £8,000 Security Shutters
 £15,000 Tipping charges (Voids)

£1,185,000**£4,943,426****Other Planned Maintenance**

£75,000 Gas Building Works
 £208,110 Gas Breakdown Repairs
 £141,900 Gas Safety Tests and Servicing
 £200,000 Painting and Fabric repairs
 £20,000 Community Centre Repairs
 £20,000 Door Entry Maintenance
 £10,000 Disrepair Claims
 £25,000 Environmental Enhancements
 £165,000 Electrical Testing & Smoke Alarms
 £10,000 Asbestos Surveys and Removal
 £25,000 Fencing and Environmental Imp
 £40,000 Consultancy Fees
 £20,000 Shop Repairs/Upgrades
 £157,578 Re-Pointing works
 £20,000 Re-Insulation works
 £110,740 Other Contractors Planned Works (Misc)
 £295,000 Kitchens via CHP
 £300,000 Disabled Adaptations

£1,843,328**MRA**

£265,098 Rewires (CHP)
 £850,000 Heating and Insulation (CHP)
 £300,000 Bathrooms (CHP)
 £500,000 Kitchens (CHP)

£1,915,098

CHP = Cumbria Housing Partners

2011/12 Investment Plan

APPENDIX D

KITCHENS	Nos. H/F/B	KITCHENS	Nos. H/F/B	HEATING	Nos. H/F/B	HEATING	Nos. H/F/B	BATHROOMS	Nos. H/F/B
Bay View Grove	8 H & F	Cocken Crescent	3 H	Anson Street	1 H	Mardale Grove	10 H/F	Canterbury Terrace	1 H
Abbotsvale	3 H	Grosvenor Street	2 H	Dundalk Street	1 F	Middle Hill	14 H/F	Angle Meadow Lane	32 H/F
Dale Bank	7 H	Lodge Green	1 H	Vulcan Road	3 H	Newton Brow	7 H/F	Park Road	8 B
Hare Lane	5 H	Long Croft	6 H	Ainslie Dale	15 F	Redwater Gardens	1 F	Low White Close	45 F
Headmeadow	1 H	Low Cliff	8 H	Lord Street	10 B	Rising Side	1 B	Middle White Close	15 F
Little Croft	3 H	Meetings View	6 H	Meadow Grove	11 B	Roose Road	4 F	High White Close	8 H
Piel View Grove	10 H	Middle Cliff	5 H	Napier Street	4 B	St. Quintin Avenue	10 H	Nearfield Walk	21 H
Pypers Croft	2 H	Middlefield	30 H	Newton Road	4 B	Thrumms Street	2 F	Mill Bank	4 H
Urswick Green	20 H	Canterbury Terrace	1 H	Cheviot Green	1 F	Urswick Green	15 H	Morecambe Crescent	2 H
Brow Avenue	7 H	Ormsgill Lane	2 H	Bay View Grove	9 H/F	Wasdale Grove	1 H	Moorfield Street	1 H
Cloisters Avenue	10 H	Chester Street	1 H	Bridgegate Avenue	3 F	Westway	1 H	Abbotsvale	3 H
Gleaston Avenue	7 H	Gilpin Walk	1 H	Broadway	1 H	Yew Tree Gardens	2 F	Woodward Avenue	3 H
Bardsea Road	1 H	Low Moor Terrace	3 H	Brook Street	1 H	Yew Tree Terrace	1F	TOTAL	143
Denton Road	1 H	Pascway Terrace	4 H	Cloisters Avenue	8 H	Severn Road	1 H		
Hare Ghyll	2 H	Sandscale Terrace	1 H	Dale Bank	1 H	Mcclean Close	2 F		
Fife Street	1 H	Sike Meadow	1 H	Flass Meadows	1 H	Dalton Fields Lane	1 H		
Lorne Road	5 H	Conway Gardens	7 H	Friars Lane	3 F	Angle Meadow lane	1 H		
Middle Hill	10 H	Himalaya Avenue	10 H	Gleaston Avenue	6 H	Chester Place	1 F		
Woodward Avenue	3 H	Thames Road	7 H	Hempland Avenue	10 H	Grosvenor Street	1 H		
Salthouse Road	2 H	Tweed Rise	8 H	Jarrow Street	5 H/F	Low White Close	1 F		
		Tyne Road	9 H	Langdale Grove	2 H	Newport Street	1 H		
		Church Lane	1 H	Lesh Lane	28 F	Pascway Terrace	1 H		
		TOTAL	225	Longway	4 F	Sike Meadow	1 H		
				Hartington Street	1 F	Whinsfield Avenue	1 H		
						Salthouse Road	1 H		
						TOTAL	215		

2011/12 ADDITIONAL PLANNED INVESTMENTS

REWIRES	137 PROPERTIES - Ormsgill; Dalton, Askam, Newbarns, Abbotsmead, Walney
PAINTING	446 PROPERTIES - Newbarns; Abbotsmead
RE POINTING	80 PROPERTIES - Walney

HOUSING MANAGEMENT FORUM PERFORMANCE INDICATORS

Performance Indicator	Actual 2009/10	Apr - Dec 2009	Apr -Jun 2010	Apr - Sept 2010	Apr - Dec 2010
£ Rents Collection					
£ Rent collected	£ 8,546,587		£2,022,556	£4,319,240	£6,446,265
Rent collected as % of rent due	98.46%		102.14%	99.70%	99.23%
£ Current Arrears	£165,452	£230,534	£179,365	£190,268	£221,924
£ Former Arrears	£123,432	£154,384	£111,664	£125,382	£106,504
Write Offs	£129,709	£81,729	£23,392	£44,945	£85,343
Tenants evicted for rent arrears	18		1	6	7
Current tenants arrears % of rent owed	1.91%	2.67%	NA	4.31%	3.37%
Former tenants arrears % of rent owed	1.42%		NA	2.84%	1.62%
£ Rent arrears Garages	£4,094		£4,036	£5,557	£8,414
£ Rent Arrears Shops	£28,131		£26,578	£28,390	£17,335
Void management					
No. of Voids	281	219	67	156	215
Average relet time for dwellings (days)	31	31	33	30	34
£ rent loss through vacant dwellings	£ 101,530	1.04%	£16,715	£35,639	£ 57,836
£ rent loss due to vacant garages	£4,873	3%	£1,268	£2,594	£ 3,792
£ rent loss due to vacant shops	£4,253		£393	£1,253	£ 7,047
% properties accepted on first offer	NA		75%	71%	
Cost per Void (Rents, Repairs, Mgt & Arrears)	NA		NA	£ 2,063	£ 2,351
Maintenance					
No. Repair Orders issued (Tenant Demand)	13,068		2610	5482	8257
% all reactive repairs completed on time	81%	96.4%	95.20%	95.2%	95.80%
% emergency repairs completed on time	97%	98.7%	99.40%	99.8%	99.00%
% urgent repairs completed on time	88%	89.3%	88.7%	91.3%	91.50%
% routine repairs completed on time	93%	91.3%	95.7%	94.0%	94.60%
Average end-to-end time for all reactive repairs (days)	12.6	11.4	11.1	10.5	10.1
Percentage of repairs completed right first time	NA		NA	NA	NA
Appointments kept as a percentage of appointments made	97%		NA	NA	NA
Appointments made as a percentage of repairs orders	100%		NA	NA	NA
Percentage of dwellings with a valid gas safety certificate	99.5%		98.4	99.6	99.74%
Average time taken to answer inbound telephone calls (in seconds)	NA		NA	NA	NA
Percentage of homes that fail to meet the Decent Homes Standard	0%	0.2%	0.0%	0.0%	0.0%
*Average energy efficiency rating of dwellings (based on SAP 2005)	76.20%		*	*	
Equality & Diversity					
ASB cases reported	213		26	41	65
Percentage of closed ASB cases that were successfully resolved	13.1%		75%	72%	
% Vulnerable people achieving independent living	87%		100%	93%	94%
% Diversity Information : Age	99.90%		99.90%	99.92%	99.88%
Gender	100%		100%	100%	100%
Ethnicity	66.90%		66.90%	94.76%	69.23%
Disability	42.40%		42.40%	44.29%	45.45%
Sexuality	43%		43%	41.26%	42.46%
Religion or belief	43%		43%	42.61%	43.81%
Percentage of Stage 1 complaints upheld	0		0	0	

HOUSING MANAGEMENT FORUM PERFORMANCE INDICATORS

Performance Indicator	Actual 2009/10		Actual 2010/11		
Satisfaction					
Percentage of tenants satisfied with the landlord's services overall	NA		*	*	*
Percentage of tenants satisfied with repairs and maintenance	NA		*	*	*
Percentage of tenants satisfied that their views are taken into account	NA		*	*	*
Percentage of new tenants satisfied with the allocation and letting process	NA		*	*	*
Percentage of residents satisfied with estate services	NA		*	*	*
Value for Money - Cost per property - direct costs					
Major & Cyclical works (service)	£ 1,406.0		*	*	*
Responsive Repairs	£ 400.5		*	*	*
Void Repairs	£ 131.8		*	*	*
Rent Arrears & Collection	£ 68.3		*	*	*
Community Involvement	£ 30.9		*	*	*
Anti Social Behaviour	£ 37.2		*	*	*
Neighbourhood Mgt (Estates)	£ 94.5		*	*	*
Housing Options	£ 44.6		*	*	*
Leasehold	£ 31.1		*	*	*
Total staff turnover	8%		3.4%	6.9%	6.9%
Ave. working days lost / sickness absence	14.0		5.57	10.23	

Housing Property	Dwellings	Dispersed
HSE	1293	0
FLATS	1251	10
BUNGALOWS	156	0
SHOPS	21	0
GARAGES	484	0
TL DWELLINGS	2710	10

SOLD PROPERTIES	No	£
HSE	4	£230,500
FLAT	2	£29,200
TL	6	£259,700

HOMELESSNESS	Actual 2009/10	Apr -Jun	Apr - Sept	Apr - Dec
Homeless ave. days in temporary dispersed accommodation	47	35	86	69
Homeless ave. days in temporary B&B accommodation	22	20	31	33
Homeless presentations	NA	48	63	155
Homeless preventions	NA	14	34	104
Eligible Homeless	NA	9	16	19

PLANNED INVESTMENTS 2010/11 @ 22.12.2010

SCHEME	CONTRACTOR OR SUPPLIER	AVAILABLE BUDGET	NO OF PROPERTIES	INVOICES PAID TO DATE	START DATE	ESTIMATED COMPLETION DATE	CONTRACTOR	TARGET COST	OUT TURN ESTIMATE	COMMENTS
REWIRES	CUMBRIA HOUSING PARTNERS	£283,543	Phase 1 - 70 Properties Phase II - 77 Properties	£178,476	01/04/2010 and 01/10/2010	Feb-11	AB MITCHELL (via K Wilson)	£130,000 £155,000	£283,000	90% COMPLETE 50% COMPLETE
BATHROOMS I	CUMBRIA HOUSING PARTNERS	£200,000	82 PROPERTIES PENNINE/RAGLAN COURT	£117,000	Apr-10	Feb-11	AB MITCHELL	£184,218	£200,000	60% COMPLETE
BATHROOMS II	CUMBRIA HOUSING PARTNERS	£100,000	42 PROPERTIES	£51,500	Nov-10	Feb-11	AB MITCHELL	£102,000	£100,000	50% COMPLETE
KITCHENS I	CUMBRIA HOUSING PARTNERS	£500,000	190 PROPERTIES	£414,338	Apr-10	Feb-11	AB MITCHELL	£462,019	£500,000	90% COMPLETE
KITCHENS II	CUMBRIA HOUSING PARTNERS	£225,000	70 PROPERTIES ORMSGILL/WALNEY	£50,000	Dec-10	Mar-11	AB MITCHELL	£177,000	£225,000	3% COMPLETE
HEATING 1	CUMBRIA HOUSING PARTNERS	£475,000	155 Properties via CHP 20 One Off systems via Integral	£390,250	Apr-10	Feb-11	AB MITCHELL INTEGRAL	£425,000 £100,000	£475,000	70% COMPLETE 15% COMPLETE
HEATING II	CUMBRIA HOUSING PARTNERS	£375,000	90	£160,676	TBC	TBC	AB MITCHELL INTEGRAL	£365,000	£375,000	30% COMPLETE
DOOR ENTRY REPLACEMENTS	SS GROUP	£200,000	ALL FLATS WITH COMMUNAL ENTRANCES	£136,254	Mar-10	Feb-11	SS GROUP	£172,000	£200,000	60% COMPLETE
PAINTING	CUMBRIA HOUSING PARTNERS	£200,000	400	£153,552	Apr-10	Feb-11	GH JONES	£155,000	£160,000	99% COMPLETE

HOUSING MAINTENANCE COMMITMENTS 2010/11 @ 22.12.2010

	Funding Available 2010/11	Gross COMMITMENT	Weekly Available	Gross Comm. as a % funds available
Tenant Demand Repairs	£900,000.00	£496,922.00	£17,307.69	55%
Voids	£175,000.00	£131,501.00	£3,365.38	75%
Gas Servicing	£425,000.00	£159,322.00	£8,173.08	37%
Decoration Vouchers	£35,000.00	£18,892.00	£673.08	54%
Fire Damaged properties	NIL	£29,205.00	NIL	Claim via Insurance company
Disrepair Claims	£25,000.00	£278.00	£480.77	1%
Environmental Impmts	£50,000.00	£24,867.00	£961.54	50%
Disabled Adaptations	£250,000.00	£227,942.00	£4,807.69	91%
Electrical Testing	£175,000.00	£37,179.00	£3,365.38	21%
Door Entry Maintenance	£120,000.00	£26,165.00	£2,307.69	22%
Total	£2,230,000.00	£1,152,273.00	£11,923.08	

£100k accrual brought forward from previous year