

Report Title: **Homes for Haringey Quarterly Performance and Finance Report**

Report of: **Director of Social Services**

Wards(s) affected: **All**

Report for: **Information**

1. Purpose

1.1 The report provides information on the finance and performance monitoring of Homes for Haringey for the first quarter (April – June 2006).

1.2 Full copies of the finance and performance reports are available in the Member's room at the Civic Centre and the information in this report is provided on an exception basis.

2. Introduction by Executive Member

2.1 Since we set up Homes for Haringey we have established a Partnership mechanism between the Council and the organisation to monitor performance and other aspects of the Delivery Plan, and we have agreed to present regular progress reports to the Executive. This is one of these regular reports. I would welcome any comments fellow Councillors have on either the content or the structure of the report.

3. Recommendations

3.1 That this report is noted.

3.2 That the monitoring of Homes for Haringey finance and performance continues to be reported to Executive on a quarterly basis.

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4. Director of Finance Comments

4.1 The Director of Finance has been consulted and notes the risks identified in the body of this report. The financial implications of these risks will need to be quantified and planned for accordingly.

5. Head of Legal Services Comments

5.1 There are no legal implications.

6. Local Government (Access to Information) Act 1985

6.1 Homes for Haringey Quarterly performance highlight report

6.2 HRA Accounts

6.3 Capital Accounts

6.4 Homes for Haringey Improvement Plan

6.5 Homes for Haringey Delivery Plan

6.6 Homes for Haringey/Council Service Level Agreements

Full details of these reports are available in the Member's room at the Civic Centre.

7. Strategic Implications

7.1 The delivery of decent homes is a key aspect of our Housing Strategy objective of 'Regenerating neighbourhoods, achieving decent homes for all'.

8. Financial Implications

8.1 The achievement of 2 stars is necessary to secure the funding needed to deliver decent homes.

9. Legal Implications

9.1 There are no legal implications

10. Equalities Implications

10.1 If Homes for Haringey secure funding, over a four year period this would improve tenants' homes and the environment.

11. Consultation

11.1 Not applicable.

12. Background

12.1 Homes for Haringey (HfH) was set up in April 2006 with the remit of managing the Council's portfolio of tenanted and leasehold housing properties. The Council, however, retained a duty to monitor the performance of Homes for Haringey.

12.2 Homes for Haringey performance indicators and finance performance are reported on a monthly basis to the Council. In addition, a quarterly monitoring meeting is held, which chaired by the Leader of the Council. The minutes of the first quarterly meeting are attached as appendix 1.

12.3 Homes for Haringey presented progress reports detailing the performance of the organisation against performance indicators set out in the Delivery Plan. The Delivery Plan sets out the organisations aims and objectives and plans for the first year.

Performance against key performance indicators

12.4 It should be noted that Homes for Haringey has gone through major change since the launch of the organisation with restructure within housing management, separating tenancy management and income collection functions and building services. This has impacted negatively on performance during the first quarter as the changes take time to be embedded

12.5 Homes for Haringey reported that performance was strongest in the following areas

- External Estate Cleanliness 98.10% against a target of 95%
- Missed Refuse Collections 0.124% against a target of 0.12%
- Estate Quality Grade (overall) slightly below at 92.21% but within tolerance, against a target of 95%.
- Income collection for leaseholder day to day service charges is also above target for the first quarter at 101% against a target of 100%
- Percentage of calls to Homes for Haringey officers answered within 15 seconds was 81.42% against a target of 70%
- The percentage of urgent repairs completed within Government time limits improved to 95.2% in June although this is slightly short of the 97% target. A Repairs Client Manager has been recruited and will focus on improving repairs performance for both Homes for Haringey Building Services and external contractors.
- Percentage of calls Homes for Haringey offices answered was 88.31% - the PI's for calls to Homes for Haringey managed by the Customer Service Centre fall below target though there has been month on month improvement. A recovery plan is in place which will focus on better management of calls including working together to better understand and so manage same and to reduce repeat calls especially around repairs.

12. 6 Areas of particular concern and needing improvement were highlighted in the following areas:

- Complaints Stage 1 responses, reporting for May 44% against a target of 80%, Stage 2 at 60%, Members Enquiry responses 55% also against a target of 80%. Homes for Haringey have introduced a new monitoring regime so that each complaint and enquiry is chased three times before the due date. There has been a month on month improvement as a result.
- Average re-let time 46.58 days against a target of 27 days. There overall turnaround time has increased as some longstanding void properties have been let. A range of measures are in place by both Homes for Haringey and the Council to reduce the number of longer term general needs voids and ensure that new voids are turned round on time.
- Percentage of homes with a valid Gas Certificate 92.1% (year to date June 2006) against a target of 100%. Measures have been put in place to improve performance. Contract managements of the gas contractors has improved and a new process has been introduced to ensure Homes for Haringey make earlier interventions to in no access cases.
- Rent collection for June 06 is projected at 95.8% against a target of 97%. The income collection team have been in place since May 06. New performance management arrangements are in place and the team are taking action on targeted cases.
- Percentage of tenants with more than seven weeks rent arrears has risen slightly to 14.5% in June, this falls short of the target of 10% for 2006/07. The analysis shows that 60% of tenants are in arrears, but that 47% of these owe less than £100. The key strategy for Homes for Haringey is to prevent small arrears accruing and work is in progress to achieve this.

Finance reports

12.7 The Housing Revenue Account Monitoring Report set out the key issues affecting the financial position of the Housing Revenue Account and provides commentary on and estimated the impact of key risks affecting the forecast for the year to 31st March 2007. No overspend is currently forecast on the Housing Revenue Account, though risk areas were flagged on this report. Risks identified were

- Repairs operation having more people than posts, risk high, action to reduce costs in line with the Medium Term Financial Strategy.
- Overspending on external contractors, risk high, action, a review of processes in this area is currently underway.
- Overspending on external contractors (Gas Maintenance) risk high, action, improve clienting, amend contracts, repair rather than replace.
- The impact of rent collection on the bad debt provision
- The level of Supporting People Grant

- Potential increase in grounds maintenance charges
- Unbudgeted expenses to support any further development of the TMO on Broadwater Farm.
- Reduced income collection in hostels
- Increasing costs of ASBAT

These risks are being monitored and reviewed on a regular basis.

12.8 The Capital Accounts Monitoring Report did not identify any forecast overspend in this area but flagged as a risk the potential of scheme slippage impacting on year end spend.

Improvement Plan

12.9 An update was provided on the progress of the Homes for Haringey Improvement Plan to the end of June 2006 to ensure two stars are achieved following the audit commission inspection in April 2007. This included a highlight report of all the key projects and actions that reflect the Key Line of Enquiries relevant to housing. Monthly highlight reports are reported to the Homes for Haringey Service Delivery Committee and Executive Management Team and also to the Council at the Housing Improvement Board. The Homes for Haringey Board receives quarterly reports on progress.

Delivery Plan

12.10 A report was presented which set out current progress on the Homes for Haringey first year Delivery Plan. This is currently on target. The Homes for Haringey Delivery Plan, agreed by the Council and by the Board of Homes for Haringey, sets out the organisation's aims and objectives and what it plans to do in its first year.

12.11 By the end of 2006/07 Homes for Haringey aims:

- together with the Council to have secured around £220 million of funding over four years to improvement tenants' homes and environments, and
- to be providing high quality services to at least a two star standard as a stepping stone to our ultimate aim of achieving three stars

There is a risk to the delivery of both of the above key aims and objectives if two stars is not attained in the Audit Commission Inspection in April 2007.

Value for money

12.12 The report on value for money reviews set out current progress. Homes for Haringey is using council support services from April 2006 to help deliver its services. Homes for Haringey is committed to carrying out reviews of all its support services within its first twelve months.

12.13 The review will be based on value for money principles, and will determine whether changes are needed to the services provided or indeed if Homes for Haringey will continue to use existing council support service providers. Homes for Haringey will evaluate whether it is possible for the service provider to provide its service at the required quality and price to Homes for Haringey. If this is not possible Homes for Haringey will evaluate whether there are other provider options with the capacity to deliver the service at the required cost and quality. This will take into account if there is a market for other providers and if Homes for Haringey can deliver the service itself.

13. Conclusion

13.1 In spite of the weakness' at this time Homes for Haringey are confident that steady improvements will be seen on a month by month basis showing real progress to achieving agreed targets set out in the Delivery Plan. Exception reports will be presented at the monthly performance monitoring group to explain in more detailing measures in place to improve performance.

13.2 The Council will continue to monitor performance closely through the monthly performance meetings. The Leader of Council and the Executive Member for Housing will be sent regular performance reports and areas of concern fed back through the performance meetings. The quarterly meetings will focus on areas of concern, if improvements are not achieved.

14. Use of Appendices / Tables / Photographs

14.1 Minutes of the Quarterly Performance monitoring meeting – 28th July 2006.

Minutes Haringey Council & Homes for Haringey

**Quarterly Performance Monitoring Meeting
28th July 2006**

In attendance: Councillor George Meehan, (Chair), Leader of the Council, Councillor Isidoros Diakides, Executive Member for Housing, Ita O'Donovan, Chief Executive, Anne Bristow, Director of Social Services, Mike Jones, Chair of Homes for Haringey, Frank Gonsalves, Vice Chair Homes for Haringey, Bob Watts, Executive Director Building Services, Gerald Almeroth, Director of Finance, Rowann Limond, Executive Director of Finance, Julian Higson, Head of Housing, Hilda Bond, Client Side Implementation Manager.

Apologies: Stephen Clarke, Chief Executive, Homes for Haringey

Item	Detail	Action
1	Introductions	
2	Councillor Meehan raised concerns about the late distribution of papers for this meeting. Hilda Bond apologised and assured this would not happen in future.	
2(a)	<p>Homes for Haringey Delivery Plan</p> <p>Quarterly Performance and Finance Report</p> <p>Homes for Haringey reported against performance indicators (PIs) falling short at this time. This has been mainly due to the restructure of housing management, with the separating of the housing management and income collection functions. This has impacted negatively on performance during the first quarter as the changes take time to bed in.</p> <p>Councillor George Meehan raised concerns on whether Homes for Haringey were in a position to turnaround performance in time for inspection. There were also concerns that the reports although explaining where performance is failing, does not explain how achievements are to be made, i.e. no key target dates for improvements.</p> <p>An exception report was tabled by HfH in relation to voids and lettings setting out what the issues are and</p>	<p>HfH</p> <p>BW</p>

Item	Detail	Action
2(a)	<p>how HfH aim to improve performance.</p> <p>Councillor George Meehan raised concerns that the report states HfH are unlikely to hit target turnaround and asked whether there was a resource issue. HfH confirmed that the 6 month target will be met. Processes are in place to ensure targets are met. Anne Bristow to update Councillor Meehan next week on what measure are to be put in place for the allocations side of the process.</p> <p>Finance Reports (HRA and Capital Accounts)</p> <p>Finance reports set out the key issues affecting the financial position of HfH and corrective action being taken to reduce the risk of overspend. Key issues raised within the reports were staffing/personnel and projected overspend on capital programmes. There was some uncertainty about budget allocation, as raised at the last monthly monitoring meeting. HfH now report this has been achieved.</p> <p>Councillor Meehan raised concerns about the content and clarity of finance reports presented. HfH to think again how finance information is reported.</p> <p>It was agreed that future monthly performance reports will be sent to the Lead Member for Housing and the Leader. Members will look in depth at these performance reports.</p>	<p>AB</p> <p>RL/HB</p> <p>HB</p>
2(b)	<p>Progress on Improvement Plan</p> <p>This report provides an update on progress to the end of June 2006 with the plan for achieving 2 Stars for 2006/07 and presented a highlight report that reflects KLOE's relevant to HfH</p> <p>This report was noted</p>	
2(c)	<p>Progress on the HfH first year Delivery Plan</p> <p>This report set out the current progress on HfH first year delivery plan and sets out HfH aims and objectives and what HfH plan to do in its first year.</p> <p>This report was noted.</p>	

Item	Detail	Action
3	<p>Update from the Housing Improvements Programme Board</p> <p>This reports highlights progress on the joint projects in place between Haringey Council and Homes for Haringey. Updated reports on the following projects:</p> <ul style="list-style-type: none"> • Repairs Procurement • Adaptations Projects • Empty Property Project • Homelessness and Housing Options Project • Lettings and Allocations Project • Environment/Better Haringey • Homes for Haringey Customer Access <p>It was agreed that the project board should be renamed, 'Housing Improvement Partnership Board.</p> <p>Anne Bristow to consider how to present the partnership.</p>	AB
4	<p>HfH – Review of support services (Highlight Report)</p> <p>This report highlights progress with value for money and service reviews. The report explains through its methodology how value for money review are carried out.</p> <p>It was noted that some of the review could impact on Council policy and only the Council can decide on such issues.</p> <p>This report puts the Council on notice that these reviews are taking place.</p>	
5	<p>Service Level Agreements (Contributions to HRA and General Fund)</p> <p>This report sets out a summary of the Service Level Agreements and Protocols with the Council, how costs are charged and where the Housing Revenue Account may be contributing inappropriately.</p> <p>Issues were raised by Councillor Diakides around value</p>	

Item	Detail	Action
	<p>for money linking procurement on repairs against the cost of call centre rebooking repeat repairs.</p> <p>Anne Bristow was asked to take advice on the Terms and Conditions of HfH contract.</p> <p>Julian raised concerns around Service Level Agreement for Lettings and Rehousing. Need to discuss with Client and Best Value Team value for money review of this service. What form will value for money review take, what part of the service if any will be assessed.</p>	<p>BW</p> <p>AB</p> <p>HB</p>
6.	<p>Response to Members Enquiries</p> <p>Councillor Meehan was concerned in performance of responses to Members Enquiries. HfH had a 40% response rate. This message is being sent around the Council has response is poor throughout.</p> <p>HfH confirmed they are reviewing all responses on a daily and weekly basis and gave assurances of clearing the backlog within one month.</p>	HfH
7	<p>Claimants : Benefits assessment</p> <p>Councillor Meehan said that the time taken to reply to Members Enquiries was currently unacceptable. This agree timeframe for replying to Members Casework must be met in future.</p> <p>HfH confirmed they are reviewing all responses on a daily and weekly basis and assured the Leader that the backlog would be cleared within one month.</p>	HfH
8	<p>Any other Business</p> <p>Equalities: HfH confirmed that equalities information is built into the Improvement Plan and information gathering used to improve knowledge of our customers.</p> <p>Tenant Participation: HfH confirmed that T.P. Team looking at different ways of consulting with residents and tenants.</p> <p>Estate Walkabouts: Councillor Diakides requested that</p>	

Item	Detail	Action
	<p>HfH agree to set out what action will be taken in relation to repairs/improvements raised during Estate Walkabouts. i.e. what are part of day to day repairs, what can't be done and what can be done.</p> <p>Meetings held in Wards: Councillors would like to be informed of any meetings being held across the borough.</p>	<p>BW</p>
	<p>Date of next meeting: 2nd November 10.30am – 12.00pm, venue to be arranged.</p>	