

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

Report of: Niall Bolger, **Director of Urban Environment**

Wards(s) affected: **All**

Report for: **Information**

1. Purpose

- 1.1 The report provides an update of the progress made in relation to key targets and objectives and summaries main issues discussed at the Quarterly Performance Monitoring Meeting of 13 February 2007
- 1.2 A full copy of the report is available in the Member's Room at the Civic Centre

2. Introduction by Executive Member (if necessary)

- 2.1 This is a report from H4H in accordance with our agreement.
- 2.2 It provides to the council a summary of performance issues and a brief update on certain current matters.
- 2.3 It indicates that HfH has had a varied quarter with an improvement in a number of PIs that were previously failing. It also shows decline in performance on a small number of PIs however HfH has put in place recovery plans to address these issues.
- 2.4 The Council is also putting in place more robust monitoring arrangements in areas of concern especially Voids and Rent Arrears.
- 2.5 I would welcome Executive Members' comments and suggestions.

3. Recommendations

- 3.1 The content of the report be noted.

Report Authorised by: **Niall Bolger, Director of Urban Environment**

Contact Officer: Carl Bradley, ALMO Liaison and Consultation Officer
Tel: (020) 8489 4454
e-mail: carl.bradley@haringey.gov.uk

4. Director of Finance Comments

4.1 The Director of Finance has been consulted on this report and is part of the regular monitoring process. The overall Housing Revenue Account position of an overspend of £0.5m is in line with the revised financial plans approved by Council in February. I am concerned that the reduced performance in rent income collection translates into arrears that becomes un-collectable and although in recent months performance has improved HfH are to put further focus on reducing the arrears position before the year end.

4.2 The projected capital position is in line with the approved budget.

4.3 The outcome of some of the value for money reviews will result in cost savings being required to be made by the Council, which is in addition to the savings proposals in the approved budget. These will need to be dealt with on an individual basis as and when they arise.

5. Head of Legal Services Comments

5.1 The Head of Legal Services has been consulted in the preparation of this report.

In relation to the performance report Legal Services attend monthly Client Liaison meetings with the HFH Income Collection Manager. Reports are provided by Legal Services which indicate whether the Service Level Agreement targets for acknowledging receipt of instructions (5 days) and issuing possession proceedings on the basis of rent arrears have been met.

In October and November 2006 both targets were met in 100% of cases. In December, 100% of cases were issued within the SLA target, although there was a slight reduction in the target for acknowledging receipt of instructions .

5.2 In relation to the Value for money report there are no legal implications from the report.

5.3 In relation to the Repairs procurement update, all TUPE issues are addressed.

6. Local Government (Access to Information) Act 1985

6.1 Homes for Haringey Quarterly Performance Monitoring Meeting Reports

6.2 Housing Revenue Account Statement

6.3 Capital Account Statement

6.4 Homes for Haringey Improvement Plan

6.5 Homes for Haringey Delivery Plan

6.6 Management Agreement

6.7 Service Level Agreements

7. Strategic Implications

7.1 A key element of the Housing Strategy is the successful delivery of the decent homes standards, providing decent homes for all tenants and regenerating the borough.

8. Financial Implications

- 8.1 Progress of key targets and objectives identified in the Improvement Plan is essential in order to secure 2 stars status in the May 2007 Audit Commission Inspection of HfH and succeed in obtaining the necessary funding to deliver the decent homes programme.

9. Legal Implications

- 9.1 Legal implications in terms of repairs procurement are currently being addressed in terms Staff TUPE issues.

10. Equalities Implications

- 10.1 Improvements to tenants' homes and environment will enhance living conditions of those who experience disadvantage because of their gender, race and ethnicity, disability, sexual orientation, age and faith.

11. Consultation

- 11.1 Not applicable.

12. Background

- 12.1 Homes for Haringey Arms Length Management Organisation (ALMO), was launched in April 2006. An ALMO is a company set up by the council to manage, maintain and improve its housing stock. Local authorities who have pursued this option can secure additional capital funding if the new arms-length body has received a 'good' rating i.e., 2 stars, from the Audit commission's Housing Inspectorate. The Audit Commission will carry out an inspection of the ALMO in May 2007.
- 12.2 The council retains the status of landlord and Council tenants remain secure tenants of the authority, therefore, they are required to closely monitor the activities of the ALMO to ensure contract compliance, adherence to regulations and guidance of good practice, and the delivery of services that when inspected will secure at least 2 stars rating.
- 12.3 Homes for Haringey's performance is formally monitored by way of monthly and quarterly meetings.

12.4 Performance Report for the 2nd Quarter

12.4.1 Delivery Plan Progress - Improvements

The third quarter has seen the launching of the interactive graphical repairs ordering (GRO) system for tenants. The GRO system is picture based, so tenants simply click on an image of the item that needs to be fixed. To make it even more convenient, residents can choose an appointment time convenient to them.

The Learning Log was also launched in this period. The learning log is a database for learning from suggestion from residents and staff and best practice from other organisations. The first edition of the best practice e-newsletter "The Best" was launched on 4th December and will be published fortnightly.

The Resident Involvement Agreement (Compact) and resident involvement strategy was approved by HfH board and CEMB in December 2006.

Following the implementation of a recovery plan Customer Services has improved during the quarter. Figures on telephone answering in December show an improvement on November figures, however there has been a slight downturn in the percentage of customers seen within 15 minutes at customer service centres 58% against a target of 70%.

Refurbishment of the South Tottenham Centre has been completed.

New software systems are being maximised to improve productivity and customer satisfaction through electronic appointment scheduling. Quality procedures have been documented and BSi accreditation achieved on 17.01.07 to reflect new systems.

The Homes for Haringey Letting standard was launched on 11 December 2006 to coincide with the implementation of Home Connections.

Risks

Progress continues on customer feedback and responding to complaints and members enquiries. While there has been improvement in dealing with these issues, it is not likely that year end targets will be met. A recovery plan is now in place and updates are being provided to managers on a weekly and daily basis.

Figures for Income recovery show that it is unlikely that some targets for year-end will not be met. An area of concern is the increase in the number of tenants owing over 7 weeks 15.59% against a target of 10% and a reduction in the number of notices seeking possession served. Homes for Haringey expect to reach their year end target in terms of serving Notices. It has recently appointed a temporary manager to address income recovery performance. HfH has also carried out a Housing Benefit reconciliation exercise to determine the amount of rent arrears due to outstanding housing benefit. The results of this will be made available at the monthly monitoring meetings with the client side and reported on.

Update from Housing Improvement Partnership Board
Invitations to tender for responsive repairs will be issued on 19.02.07.

Phase 2 Project Initiation Document for Aids and Adaptations will be presented to Housing Improvement Stream Board in the first quarter of 2007. The performance management system has not yet been fully implemented, but the reports needed to capture the necessary information have been agreed between Adaptations and E-care.

The turnaround time for voids increased in December to 33.25 days from 27.33 days in November – increase due mainly to the impact of the Christmas break and staff leave. However the overall year to date turnaround time has reduced to 36.72 days.

The total number of voids at repair stage has been reducing from a high of 173 in June to the current level of 95.

A new housing register has been produced and work is underway to assess non-responders to the exercise.

12.4.2 Homes for Haringey performance report

There has been a varied performance over the quarter. The indicators for phone answering recorded their best performance for the year so far. Indicators showing an improvement over the quarter include the percentage of calls answered and the percentage answered within 15 seconds by Homes for Haringey staff.

BV72 the percentage of specified urgent repairs completed in government time limits year to date is 95.19% against a target of 97%. In the quarter 92.11% of repairs were completed on time, representing a decrease from the previous quarter figure of 96.21%. This is due to administrative errors in inputting repairs in October and November. While HfH state that service has not deteriorated in this period, they have to accept this under reporting of performance.

BV73 Average time taken to complete non urgent repairs (all), year to date is 12.92 days with a target of 14 days. Performance in December 2006 was 10.79 days.

The percentage of homes with a valid gas certificate year to date is 97.69% which is up slightly from the previous quarter figure of 97.17%. HfH are taking measures to gain access to the properties without a valid certificate.

Average relet time for local authority dwellings year to date is 36.72 days an improvement on the figure of 55.75 in quarter 2. The target for the year is 27 days.

The following areas have shown little or no improvement:

Answering stage 1 complaints within 10 days has fallen from 72% in quarter 2 to 60% in quarter 3. The target for the year is 80%.

Forecast of rent collected at year end is 96.53% against a target of 97.5%.

Stage 1 complaints escalating to stage 2 – year to date is 8.7% against a target of 10%.

Members enquiries 62% against a target of 80%. HfH have put in place a recovery plan as mentioned above.

12.4.1 Finance report - Revenue

An overspend of £468,000 is currently forecast on the Housing Revenue Account. This overspend is in line with the medium term financial strategy for 2007/08. Savings measures of £324,000 were approved by HfH Finance and Audit committee on 31.01.07 and are being implemented and a further £150,000 of savings was agreed by the committee subject to council approval.

12.4.2 Finance Report – Capital

The level of capital expenditure in the first 9 months of the financial year is still relatively low as three large schemes have recently commenced and the rate of expenditure is not significant. Currently there is an underspend of £4.8m. However, by the end of

month 10 the underspend to date has reduced to less than £1.1m so the current forecast of expenditure and resources shows a net break even.

12.4.3 Value for Money Reviews

The Department for Communities and Local Government requires that HfH undertake value for money reviews of its support services in the first year of operations. In addition to the 6 reviews reported to Executive in December 2 additional reviews have been reported to HfH board in February 2007. These reviews are Estate Lighting and Noise.

HfH will continue to use the services provided by Street scene in relation to estate lighting. An action plan has been agreed and will be written into a new service level agreement for 2007/08. The borough wide contract is due to be retendered in 2007. HfH, Council tenants and leaseholders will participate in all stages of the retendering exercise.

The noise team will implement proposed service improvements with immediate effect in order that there is sufficient evidence of added value being provided by June 2007 when the review team will revisit the service. HfH will reassess the service provided in the period June to Sept 2007 prior to the September deadline for giving notice, in order to assess the success of the noise team providing the proposed service improvements.

12.4.4 Repairs procurement

Invitations to tender to be issued on 19.02.07 to the eight top ranked external contractors and the DLO.

The TUPE list has been produced by HR. The only outstanding issue relates to Accord in respect of vehicles. The fleet list is agreed as accurate and repairs operations are splitting the vehicles between the east and west contracts. A number of Vehicle are remaining with HfH, and there is agreement with Streetscene that they will be opportunities over time for some vehicles no longer required by the repairs contractors to be re- allocated to other Council users as their own leases expire.

Streetscene have advised Homes for Haringey that the Company will still have to pay its proportion of the annual management fee even if it opts out of further involvement. Accord has also stated that there would be an early surrender penalty for the return of all vehicles at the commencement of the repairs contract. In addition, if any redundancies are necessary in the vehicle workshop the costs are rechargeable to the Council under the terms of Accord's contract and would need to be taken into account in the evaluation of alternative options.

This makes it unlikely that the option for the contractors to procure their own vehicles for the full duration of the contract would be economic, but they will still need to price from the point at which the Accord contract expires in Dec 2009.

Call Handling: the draft specification has been reviewed by Service Development, Customer Services and the Repairs Client. HfH is liaising with the Council on how the tenderers' submissions will be evaluated against the current service. This part of the evaluation will focus upon four aspects: cost, performance standards in call handling, method statements and service improvements.

12.4.5 Decent Homes Procurement

There has been no response as yet from the DCLG with regard to the funding for Decent Homes. However, this funding is also dependent on HfH achieving a 2* Good, with promising prospects for improvement in the May 2007 Audit commission inspection.

In the meantime work will continue on the current plan to ensure that Decent Homes will be delivered on schedule once the relevant approvals are obtained.

To this end HfH has sought approval to appoint four construction partners and four consultants to deliver the decent homes programme once funding is confirmed and available.

Two procurement streams have been developed to enable HfH to engage construction partners and consultants under framework agreements established with partnering forms of contract that will last for four year terms.

13. Conclusion

13.1.1 Homes for Haringey have seen some improvements and declines in performance the quarter. However recovery plans are in place to address the areas of decline.

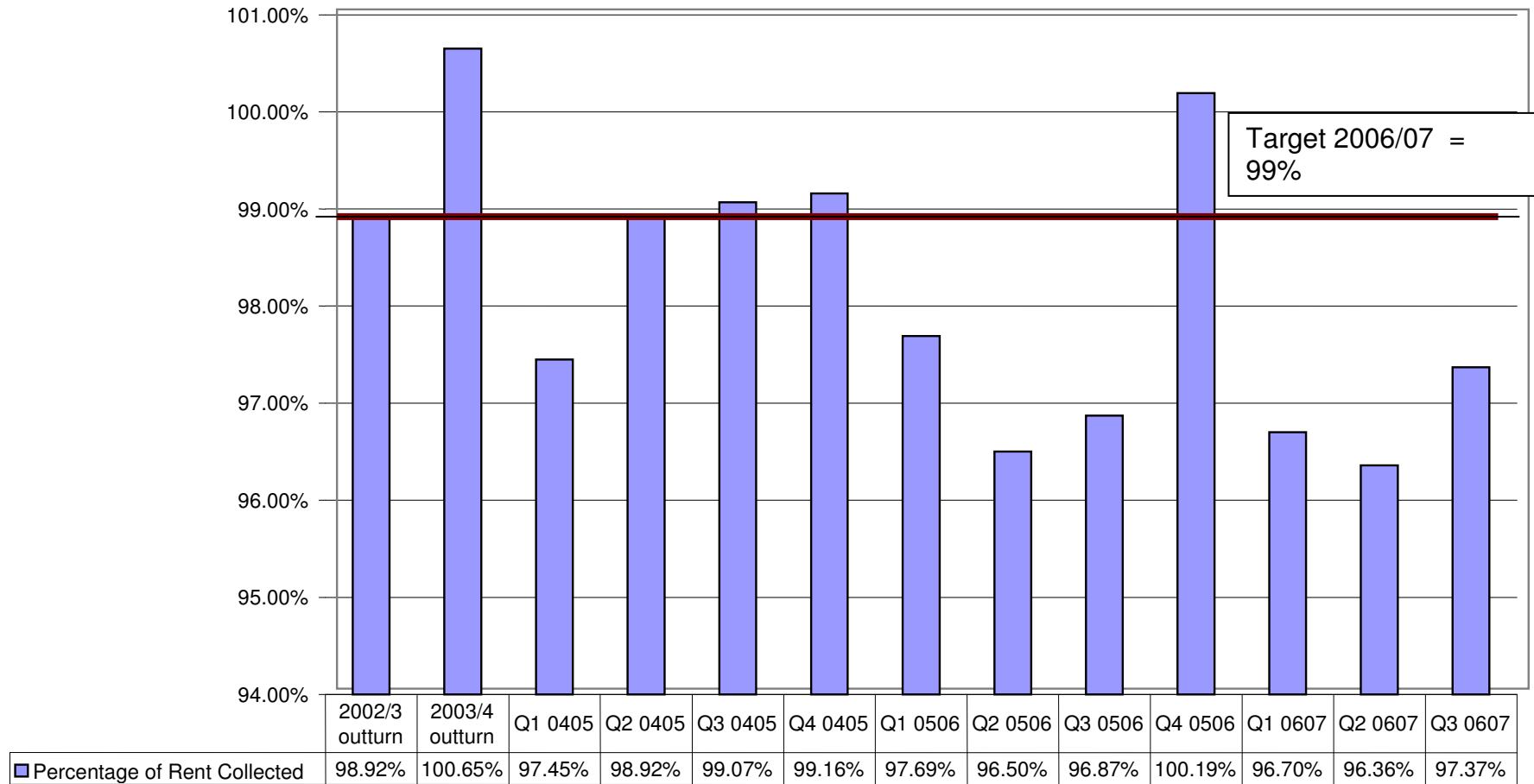
13.1.2 The Council will continue to monitor performance closely and the impact of the recovery plans through the monthly and quarterly performance meetings. The Leader of the Council and the Executive Member for Housing will be sent regular performance reports and areas of concerns fed back through the performance meetings. The quarterly meetings will be the forum to discuss any are of concern.

14. Use of Appendices / Tables / Photographs

14.1 Appendix A Trends in Key Performance Indicators

Appendix A: Trends in Key Performance Indicators

Rent – Simple Collection rate



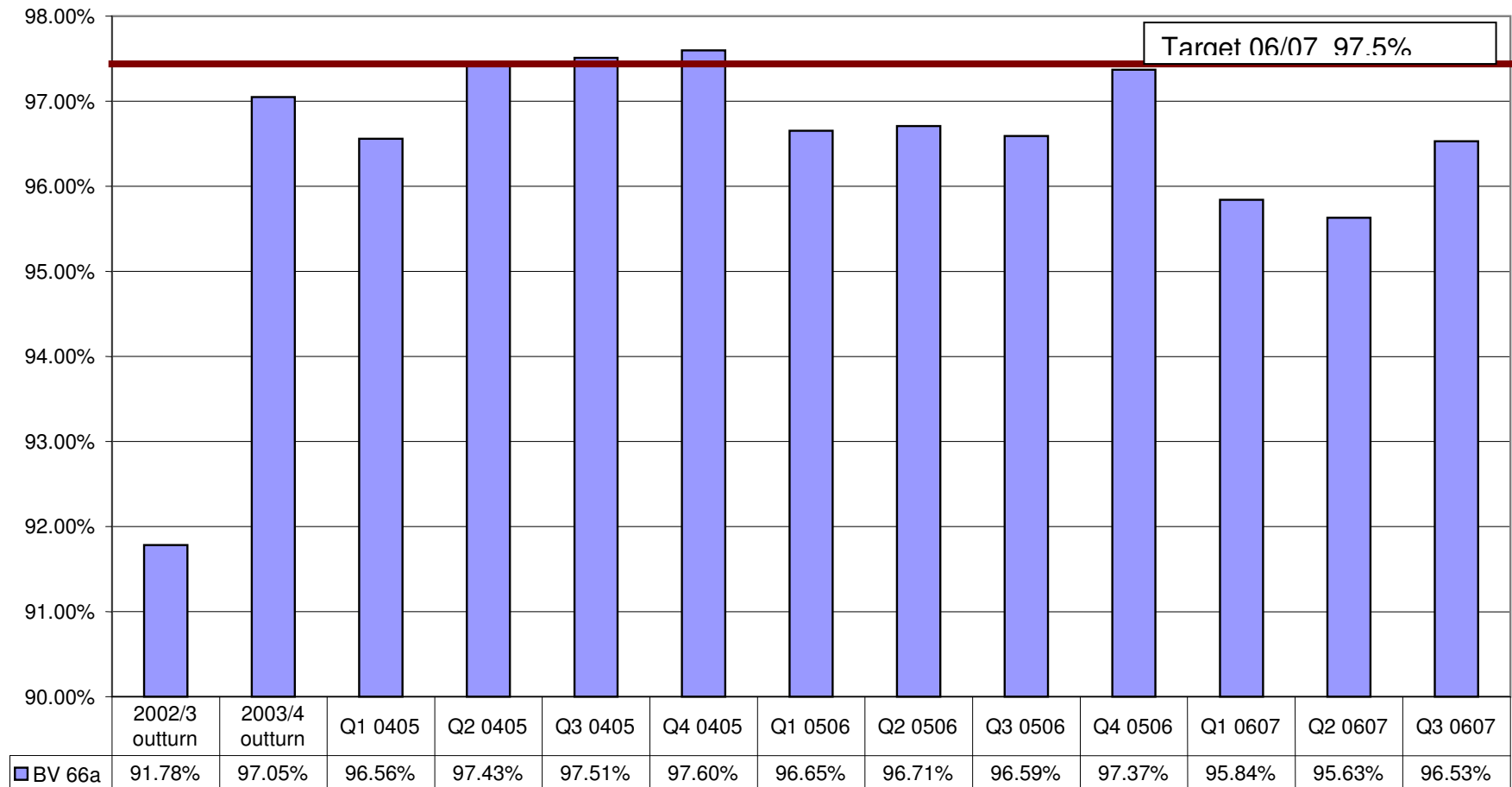
Source: Homes for Haringey

% of phone calls answered in 15 seconds



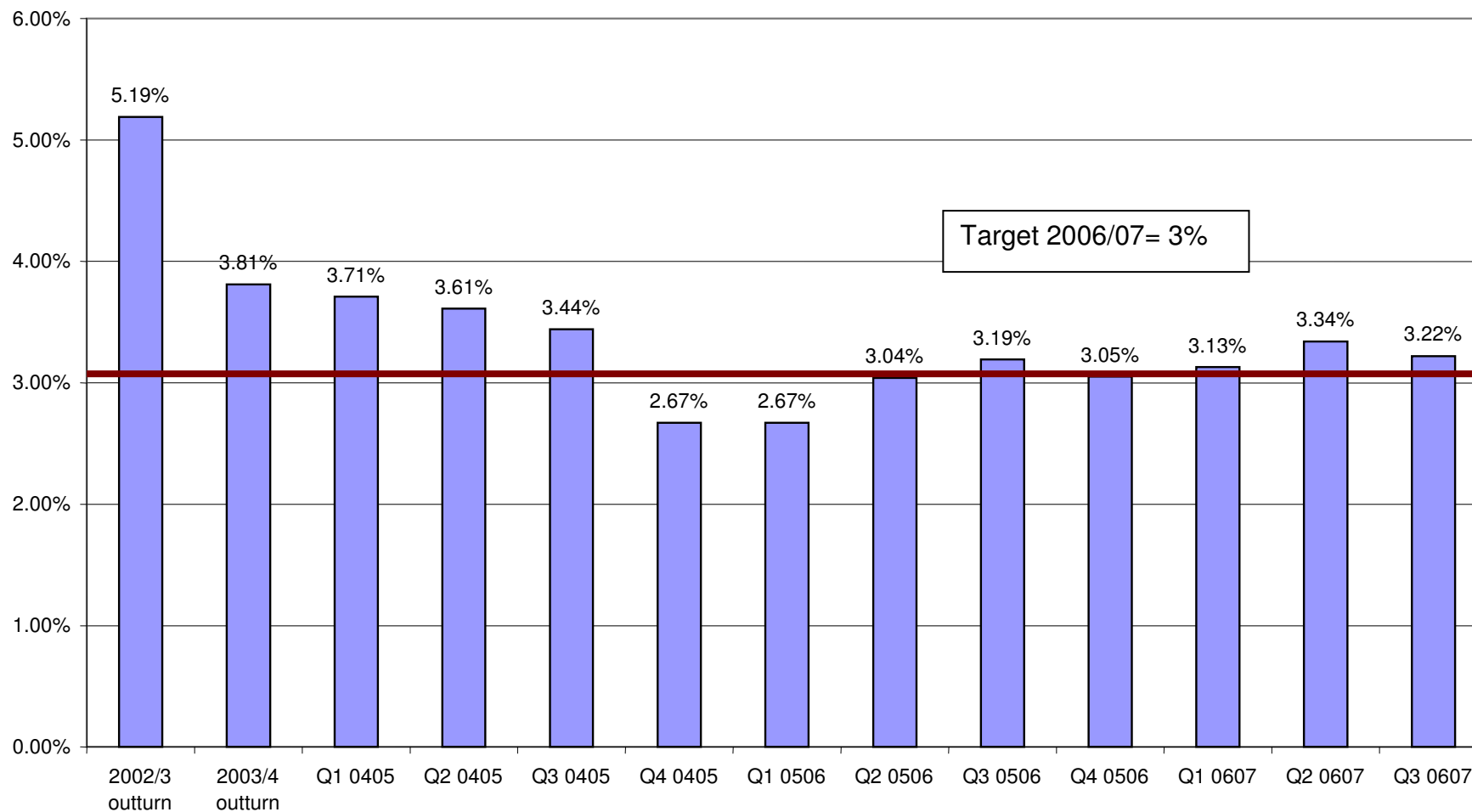
Source: Homes for Haringey

BV 66a % of rent collected



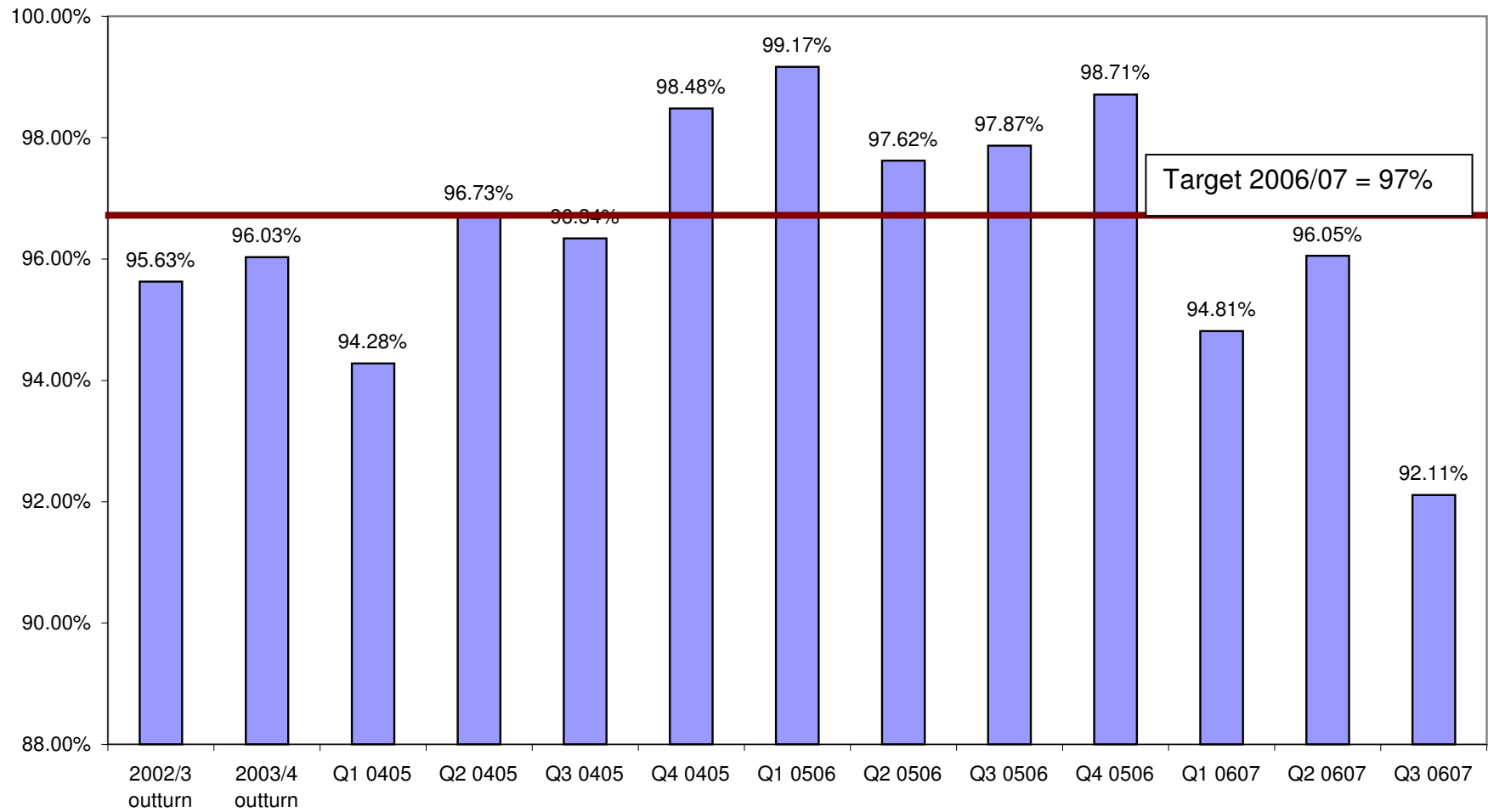
Source: Homes for Haringey

Rent arrears of current tenants as % of rent roll



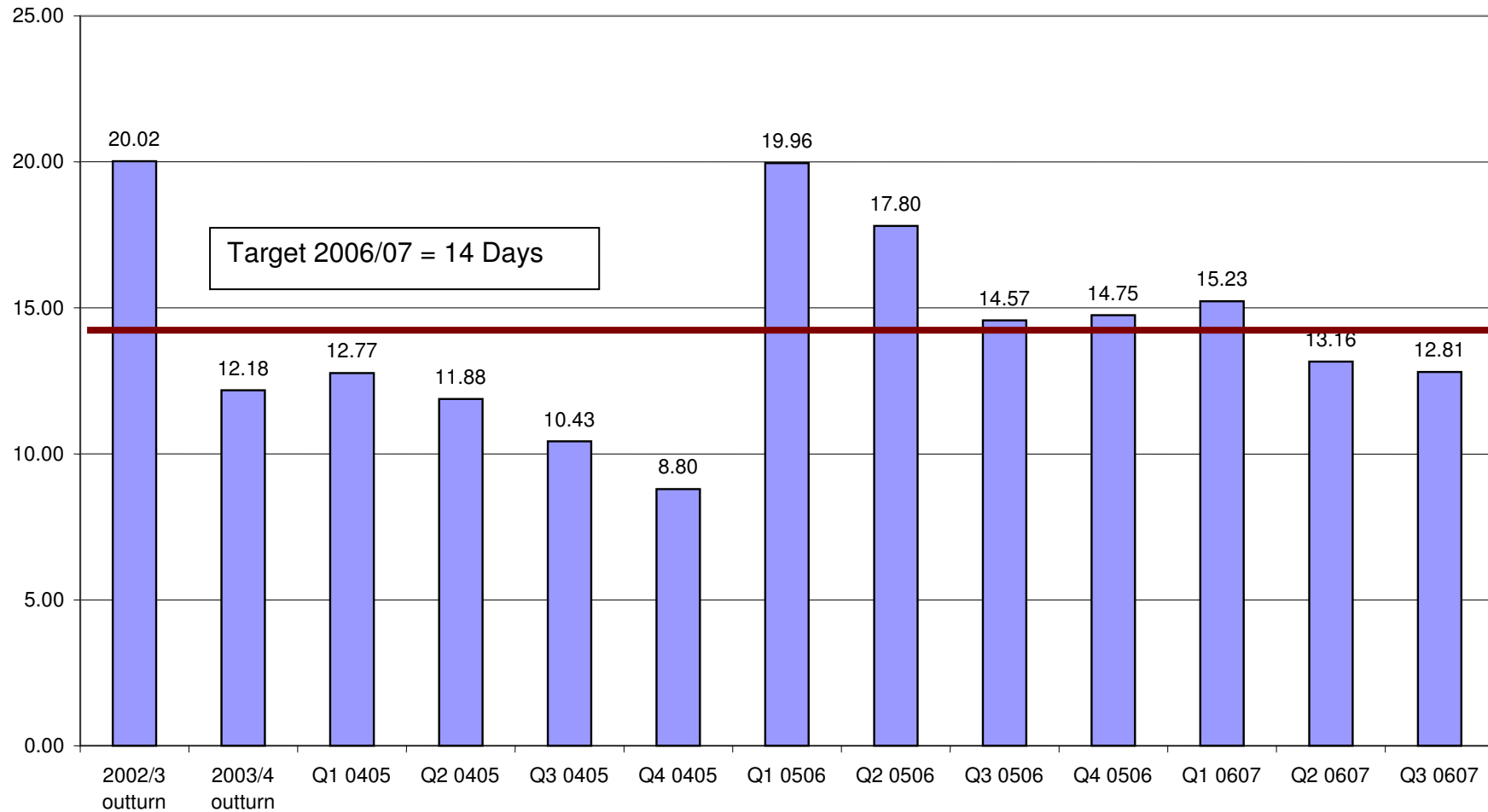
Source: Homes for Haringey

BV 72% specified urgent repairs completed in Government time limits



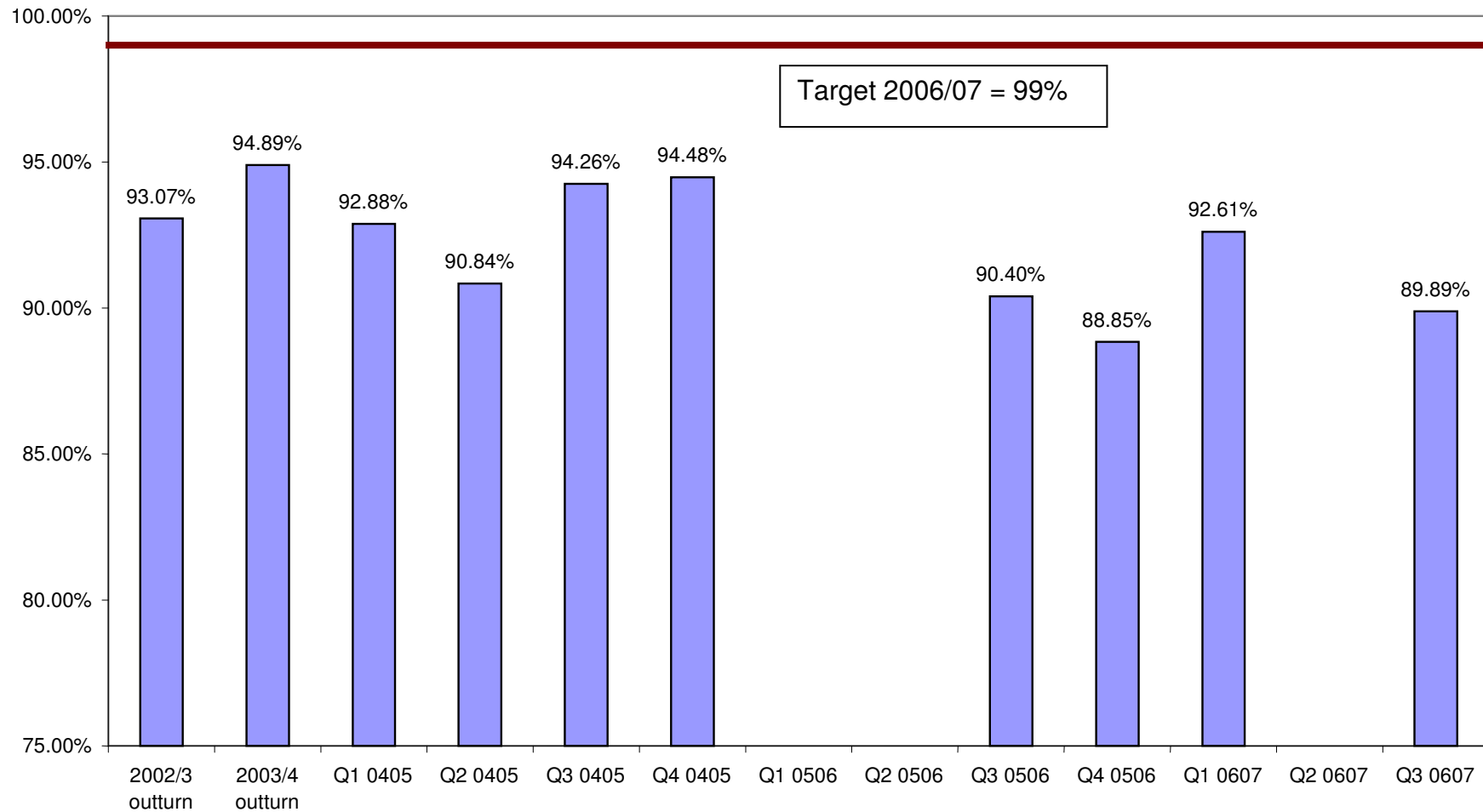
Source: Homes for Haringey

BV 73 Average time taken to complete non-urgent repairs



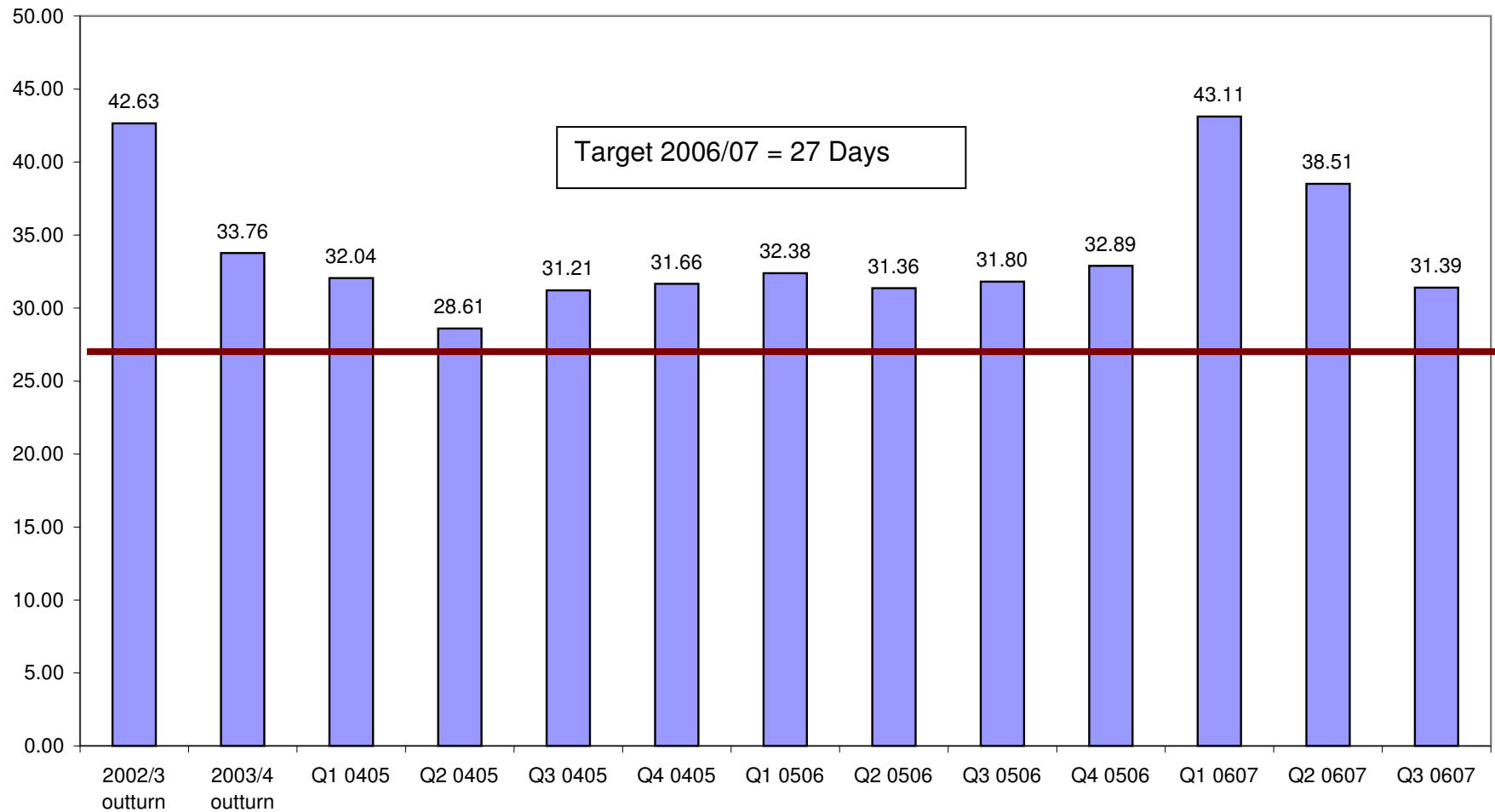
Source: Homes for Haringey

BV 185 The % of responsive repair jobs for which an appointment was made and kept



Source: Homes for Haringey

BV 212 Average re-let time for local authority dwellings (voids available for letting)



Source: Homes for Haringey