

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 summarises the main issues discussed at the Quarterly Performance Monitoring Meeting of 25 May 2007
- 1.2 This report also incorporates the client side response to Homes for Haringey year end performance report for 2006/07 focussing on Best Value indicators for Income Collection, Re-lets, Repairs and Tenant Satisfaction and compares HfH performance with that of other providers in the London region.
- 1.3 A full copy of the report is available in the Member's Room at the Civic Centre

2. Introduction by Cabinet Member (if necessary)

- 2.1 This is a report from HfH in accordance with our agreement.
- 2.2 It provides the Council with a summary of performance issues and compares HfH performance with that of other ALMOs in the London area.
- 2.3 The report shows that HfH has had a varied year in performance terms achieving targets in 4 out of 9 key performance indicators. However action plans are in place to address areas where performance needs to improve especially voids, income collection and repairs. Monitoring of HfH performance will continue by way of the monthly and quarterly monitoring meetings.
- 2.4 I would welcome Cabinet Members' comments and suggestions.

3. Recommendations

- 3.1 The content of the report be noted.

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

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4. Local Government (Access to Information) Act 1985

- 4.1 Homes for Haringey Quarterly Performance Monitoring Meeting Reports
- 4.2 Housing Revenue Account Statement
- 4.3 Capital Account Statement
- 4.4 Homes for Haringey Improvement Plan
- 4.5 Homes for Haringey Delivery Plan
- 4.6 Management Agreement
- 4.7 Service Level Agreements

5. Strategic Implications

- 5.1 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. In the client role it is therefore important that these strategic aims are met and the regular monthly and quarterly meetings are the tools by which this is measured.

5.2 Financial Implications

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.

The HRA is regularly monitored by the councils Director of Finance and finance forms part of the discussions at the regular monthly meetings

5.3 Director of Finance Comments

The Director of Finance has been consulted on this report and is part of the regular monitoring process. The overall Housing Revenue Account provisional outturn position 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 could become un-collectable and may also require increased bad debt provisions. Although in recent months performance has improved HfH are to put further focus on reducing the arrears position in the new financial year and ensure that the target of 97.5% is achieved for the new year.

The provisional capital outturn position for 2006/07 is within the approved revised budget of £18.135m, recording a small underspend.

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.

6. Legal Implications

- 6.1 Legal Services have been consulted on this report and have provided the following comments:

VFM Reviews

Legal Services confirm the accuracy of the reference to clause 68 of the management agreement. Notice of termination is required to be served on the Chief Executive.

Performance Report

The report provided, when read in conjunction with the Improvement Plan report, appears to comply with the requirements of Annex 2 to the management agreement.

7. Equalities Implications

7.1 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.

8. Consultation

8.1 Not applicable.

9. Background

9.1 Homes for Haringey's performance is formally monitored by way of monthly and quarterly meetings. The format of the monthly meetings has recently been enhanced by the council to ensure a focus on key performance areas where there are concerns and to give the council a more detailed opportunity to 'drill down' into the detail. However it should be noted that this approach is not to 'micro manage' the organisation but for the council to understand the reasons why performance may have fallen.

10. Performance Report for the 4th Quarter and year end 2006/07

This report will provide information on the 2006/07 outcomes for Best Value indicators on Income Collection, Re-lets, Repairs and Tenant Satisfaction as well as information on other local key performance indicators. Appendix A provides comparison of HfH performance with that of other providers in the London region. Appendix B shows HfH performance against selected indicators for 2006/07.

11.0 Income Collection

11.1 Collection rates (BV66A) Quarter end collection rates have remained constant at 96.53% for both Q3 and Q4 against a target of 97.5%.

- HfH collection rate excluding hostels is 96.7% which puts their performance in the top quartile in London. However, HfH's own collection rate declined from 97.04% in Q3 to 96.97% in Q4.
- The collection rate for hostels was 93.95% against the same target of 97.5% in 2006/07. However, applying the same target to both hostels and general needs accommodation does not take account of the different issues involved in the management of hostel accommodation which traditionally have higher turnover rates and levels of rent arrears. Therefore the target for hostels is 94% in 2007/08 to take account of these differences. (Appendix A table 1)
- The number of tenants owing 7+ weeks rent (BV66b) has decreased during the quarter from 15.59% at end of Q3 to 14.74% at end of Q4 due to increased income recovery activity. (Appendix A table 2 and Appendix B table 3)
- The number of tenants in arrears with NOSP's (BV66c) has increased from 8.07% in Q3 to 9.96% in Q4. (Appendix A table 3)
- The number of evictions (BV66d) has decreased from 0.55% in Q3 to 0.51% in Q4%

11.2 The Client side has been kept informed throughout the year of the issues relating to

income collection. Performance information has been reported at monthly and quarterly meetings.

- 11.3 In addition to HfH action plan which was introduced in October, rent arrears were the focus of the March 2007 monthly meeting between the Council and HfH. In this meeting HfH explained the issues affecting income recovery. They had recently appointed an income recovery manager and were beginning to see results. HfH also looked again at their targets, policies and procedures in terms of Best Value indicators as some indicators may have an adverse impact on performance e.g. Best value indicator BVPI 66C – the % of tenants with Notices of Seeking possession. This figure should be low suggesting that the organisation considers alternative methods of income recovery before resorting to the legal process. As will be seen from table 3 below, HfH have done very well in this aspect of the indicator, however it has adversely impacted on income collection rates. The need for HfH to ensure that the systems and support for the tenants on prevention of the arrears was highlighted at the meeting. HfH raised the issue of the difficulty of making agreements with tenants to repay arrears where tenants also had arrangements to pay off Council tax arrears which affected their ability to pay off their rent arrears. The need for the council to address this through a debt management policy was acknowledged and this is a piece of work which will need to be developed by the council.
- 11.4 A more detailed briefing on the relationship between NOSP, rent actions and evictions will be prepared by HfH and circulated to members.

12.0 Re-lets

BV 212 Average relet time for local authority voids 2006/07

the 2006/07 year end figure shows that it took 36.76 days on average to relet a void property against a target of 27 days. The issues have been highlighted elsewhere. The April 2007 monthly monitoring meeting focused on Voids and improvements to the turnaround time was reported there. Some of the improvements discussed include the following:

- HfH Building surveyors to update OHMS as soon as possible to let Lettings Team know the property is suitable for advertising
 - An exception report has been developed which shows void properties that are not marked suitable for advertising.
 - Lettings team to check OHMS daily and begin the lettings process immediately when the property is marked suitable for advertising.
 - Viewing officers are now to be employed by HfH and located with Building surveyors
 - HfH to be responsible for all sign ups (including direct lettings) from 08.05.07
- Therefore the target for this indicator has not been met, the council is working closely with HfH to ensure business processes continue to improve on both sides so the target can be achieved. (Appendix A table 4 and Appendix B Table 5).

13.0 Repairs

BV 72 % specified urgent repairs completed in Government time limits

The year end outcome for 2006/07 was 97.1% against a target of 97%. This figure is different from the figure of 93.22% reported elsewhere and the reasons for the difference will be discussed at the June monthly meeting. (More information on performance is provided in Appendix A table 5).

BV 73 Average time taken to complete all non urgent repairs 2006/07

HfH achieved an average of 11.79 days against a target of 14 days so the target has been met. (Appendix A table 6 and Appendix B table 7)

14.0 Tenant satisfaction

BV 74A Satisfaction of Tenants with overall services 2006/07

Tenant satisfaction has declined from 73.67% in 2005/06 to 59% in 2006/07. Therefore the target for 2006/07 of 75% has not been met. This is due to a number of possible reasons which are highlighted in Appendix A table 7

BV 75A % of Tenants satisfied with opportunities to participate in management and decision making 2006/07

There has also been a decline in performance against this indicator as with indicator BV74A above. Therefore the 2006/07 target of 71% target has not been met. (Appendix A table 8)

15.0 Local Performance indicators

15.1 Customer Contact

In March 2007 HfH received 38,272 calls, 29% of which were received by the call centre. All call centre indicators improved in March, but remained below target. 65% of calls were answered in 15 seconds. The outcome for the year was 36.01% against a target of 70%. The call centre now has a dedicated HfH team in place and March 2007 figures show an improvement in performance which can be further improved as the HfH team continues to learn and develop.

The joint HfH and Customer Services improvement team are working to understand and reduce repeat call volumes (a target of 20%) which will ease the pressure of increasing call volume.

The percentage of callers to customer services seen within 15 minutes at customer service centres was 49.2% just below the yearly average (and under year end target of 70%). Having made improvements in the call centres the same approach is to be rolled out to the Customer Service Centres.

15.2 Stage 1 and 2 complaints and Members Enquiries

Performance for on Stage 1 complaints was 80% in March 2007. The year outcome was 70% against a target of 80%.

Performance on Stage 2 complaints was 73% in March 2007. The outcome for the year was 74% against a target of 80%.

Performance on Members enquiries was 85% in March 2007. The outcome for the year was 70% against a target of 90%. (More information in Appendix B tables 1 + 2)

15.3 Homes with Valid Gas Certificate

The percentage of homes with a valid gas certificate remains at 98% against a target of 100%. HfH are taking actions to achieve target which include Gas Access Warning Tape, evening cold calling and a dedicated officer to access performance. (Appendix B table 8)

15.4 Home Ownership

The target for service charge collection was achieved.

15.5 Estate Services

The overall quality of estates as monitored by Estate Services Managers has been high over the year. The end of year figure for the internal standard of blocks is below the 95% target at 91%. The figure for external areas is 89% against a target of 95%. Action plans are in place to address issues of concern. The Accord figure for Estate cleanliness for the year end is 98.14% against a target of 95%.

15.6 Tenancy Management

The percentage of stage 1 anti-social behaviour cases completed in timescales was just below target in March, but performance over the last two months has been the best of the year.

97% of tenancy checks were completed by the end of March. . A detailed analysis of the 3% of cases deemed not to have been checked has been completed and necessary action taken or planned.

There was an improvement in the percentage of welcome visits completed by tenancy managers within six weeks of a new tenant moving into their property but this is still somewhat below target.

Two recent developments will contribute to improved performance in this area going forward into 07/08. Since February, a report has been available that allows managers to track progress on a weekly basis. This has directly led to the improved performance in March. Tenancy Management Officers took over the signing up of new tenants from the Lettings Team in December, which again led to improved performance as they were able to make firm appointments there and then with new tenants.

16.0 Fixed Penalty notices

At the quarterly meeting on 25.05.07 between HfH and LBH it was agreed in principle that the management agreement be amended to allow HfH staff to issue fixed penalty notices targeted at a range of anti social behaviour such as dumping of refuse and litter. HfH to provide legal clarification regarding HfH officers not being able to attend court. Once this clarification has been provided the Lead member for Housing will sign the agreement to amend the Management agreement.

17.0 Conclusion

- 17.1 Performance against the key 9 indicators in the first year of operation for Homes for Haringey has been disappointing, 5 out of 9 targets have not been met. However it has to be remembered that performance indicators are only one part of the overall performance of any organisation but more improvement work has to be done if the performance against these indicators is going to improve. .
- 17.2 Partnership work with the Council has continued to develop and evolve. The format of the monthly monitoring meetings has changed to enable issues to be investigated more fully and understood by all parties involved.
- 17.3 Action plans have been developed to address areas where improvement is needed e.g. income collection and procedures have been streamlined to ensure that actions take place on time, coordinating the HfH void process with the Councils lettings process to reduce the void turn around times or addressing the backlog of requests for aids and adaptations.
- 17.4 The Council will continue to monitor performance through the monthly and quarterly performance meetings.

Appendix A

In terms of comparison with other Local Authorities and ALMOs in the London region the tables below from Housemark and HfH/LBH data show the position for year ending March 2007.

- **BV 66a Collection rates including arrears 2006/07**

There were responses from 13 organisations included in table 1 below. The figure of 96.53 shows HfH ranks 9th. The data shows that the overall collection rate in Haringey remains just below the median however, HfH performance ranks in the top quartile for rent collection for the properties it manages when the council’s hostels are taken out of the equation. The combined 2006/07 year end target for HfH and hostels was 97.5%. Therefore the target has not been met.

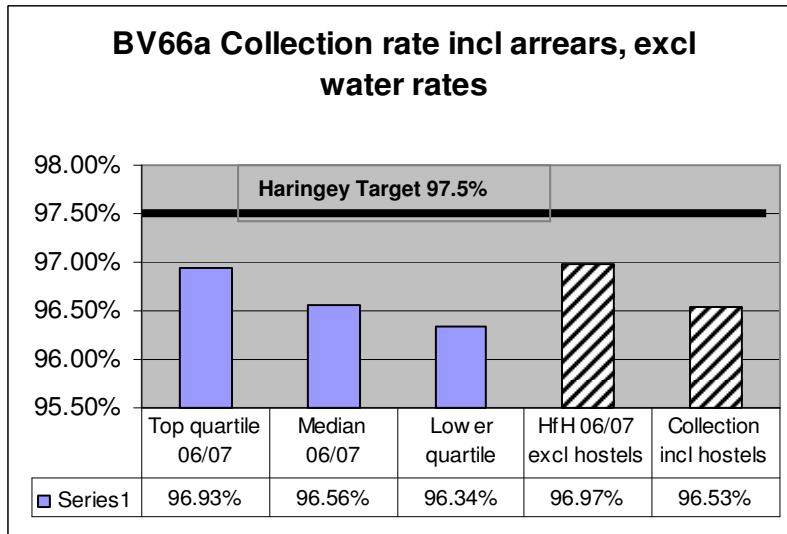


Table 1 (Source Housemark and HfH report)

- **BV 66b % of tenants owing over 7 weeks gross rent 2006/07**

Twelve organisations provided data for the indicator below. HfH was ranked 12th in terms of performance against this indicator. At the end of 2006/07, 14.74% of tenants owed over 7 weeks gross rent against a year end target of 10.0%. Therefore this target has not been met

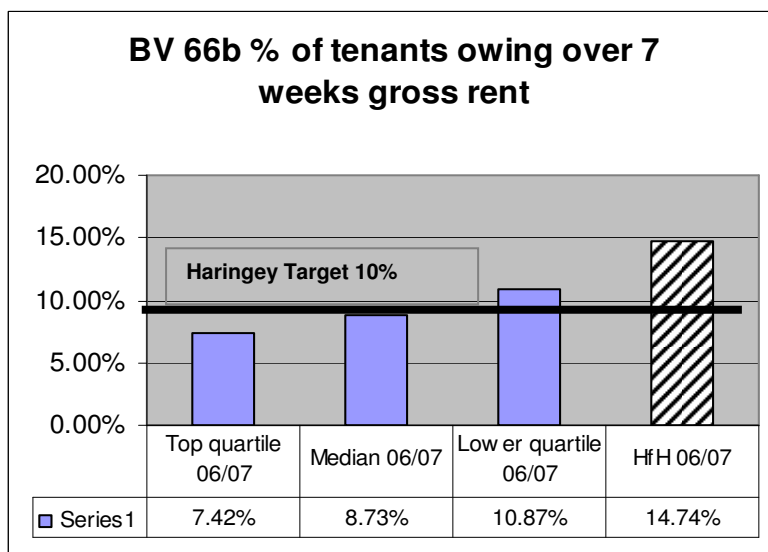


Table 2 (Source Housemark and HfH report)

- BV 66C % of tenants in arrears with Notice of Seeking Possession 2006/07**
 Thirteen organisations provided data on this indicator. HfH was ranked first in terms of performance against this indicator. (For this particular indicator low performance is good.) This indicator shows if the organisation is relying too heavily on the legal process to recover income and not considering alternative methods of arrears recovery. This indicator has to be read in context with the other elements of the indicator. This will be explained in more detail in the Members briefing to be prepared by HfH referred to above. Therefore HFH outperformed on this indicator but this adversely affected the collection rate as previously mentioned.

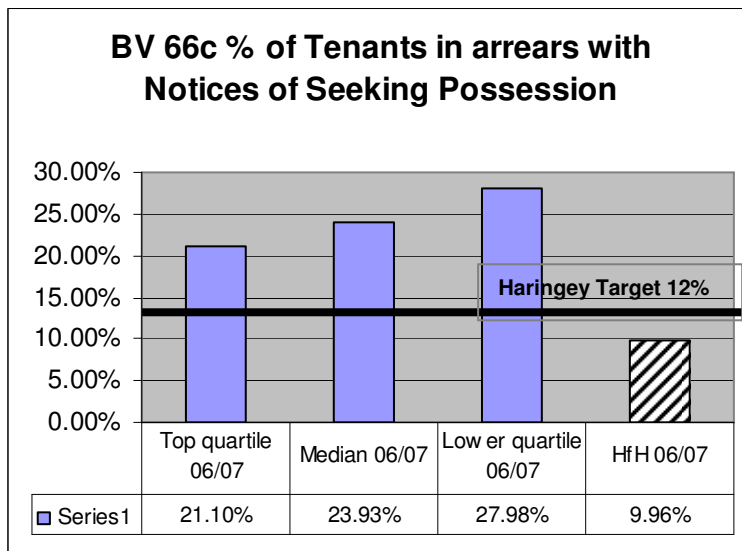


Table 3 (Source Housemark and HfH report)

- BV212 Average re-let time for local authority voids**
 Thirteen London based organisations provided data for this indicator. HfH was ranked 12th and is in the lower quartile in terms of performance. As shown in the table below the 2006/07 year end figure shows that it took 36.76 days on average to relet a void property against a target of 27 days. The issues have been highlighted elsewhere.

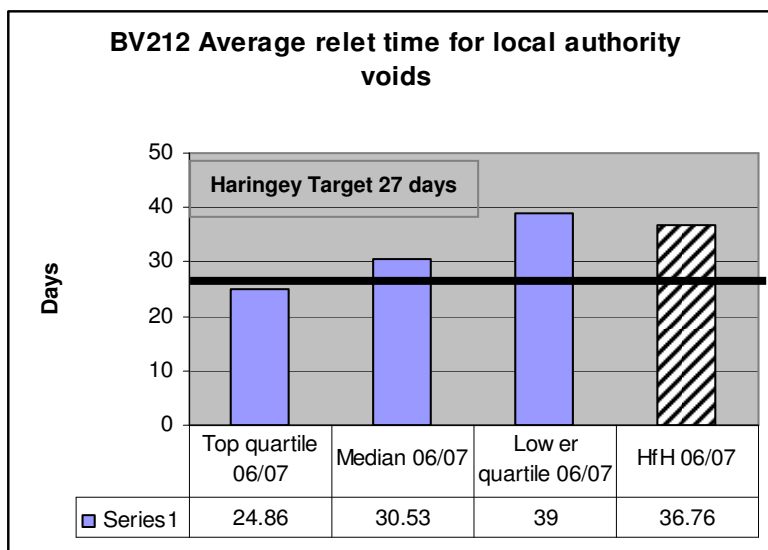


Table 4 (Source Housemark and HfH report)

- **BV 72 % specified urgent repairs completed in Government time limits**

Eleven respondents provided data for this indicator. HfH was ranked 10th out of the 11 organisations that provided data.

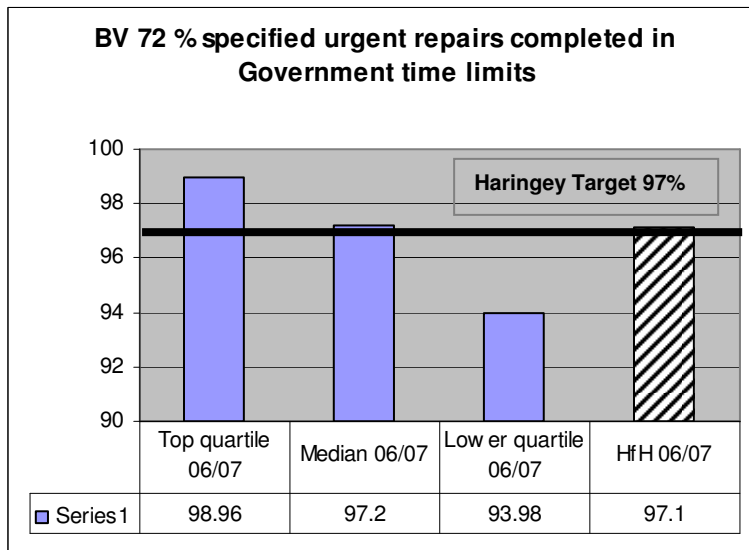


Table 5 (Source Housemark and HfH report)

- **BV 73 Average time taken to complete all non urgent repairs 2006/07**

Twelve organisations provided data for this indicator. HfH was ranked 11th in terms of performance and is in the lower quartile in terms of performance.

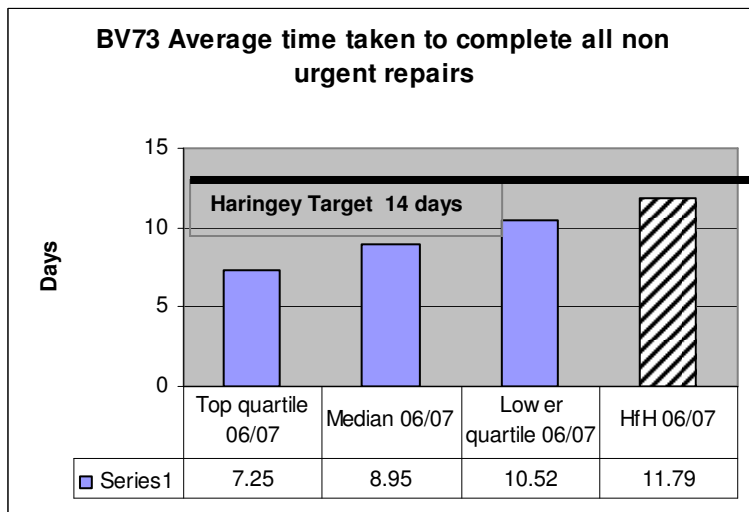


Table 6 (Source Housemark and HfH report)

- **BV74A Satisfaction of Tenants with overall services**

The table below demonstrates tenant satisfaction with the services provided by HfH has declined in 2006/07. This decline reflects an overall decline in tenant satisfaction among other organisations in London. There are several possible explanations for this decline which will need to be investigated over the coming months. However one of the main possible reasons is that the 3 yearly National Federation of Housing Tenant Satisfaction (STATUS) survey was a postal survey in 2006. Postal surveys traditionally have lower

response rates and possibly different outcomes than other forms of survey. Previously Haringey used telephone and face to face surveys. Out of the 11 organisations who provided data for this indicator HfH was ranked 10th in 2006/07. Therefore this target has not been met.

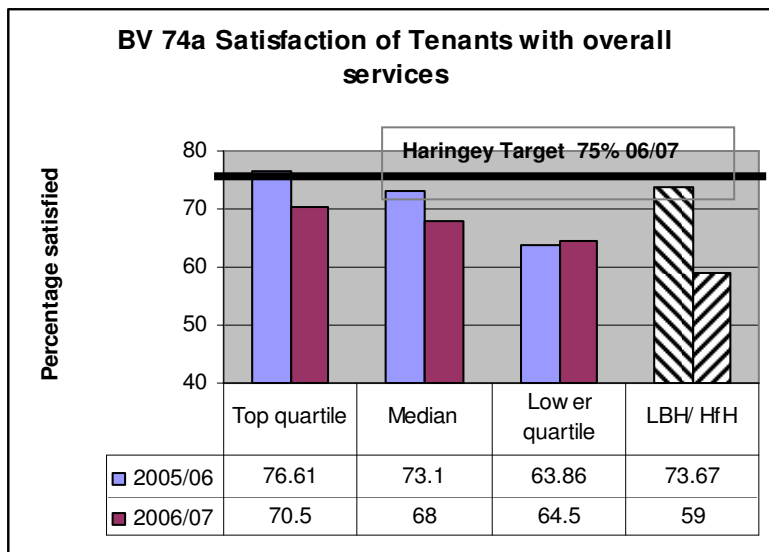


Table 7 (Source Housemark and HfH report)

- BV 75A % of Tenants satisfied with opportunities to participate in management and decision making 2006/07**

As with table 7 above the data in this table shows a decline in tenant satisfaction as this data was collected in the STATUS survey. HfH reflects this trend. In 2006/07 11 organisations have provided data on this indicator and HfH is ranked 7th. As for table 7 above this decline in satisfaction will be investigated over the coming months. Therefore this target has not been met.

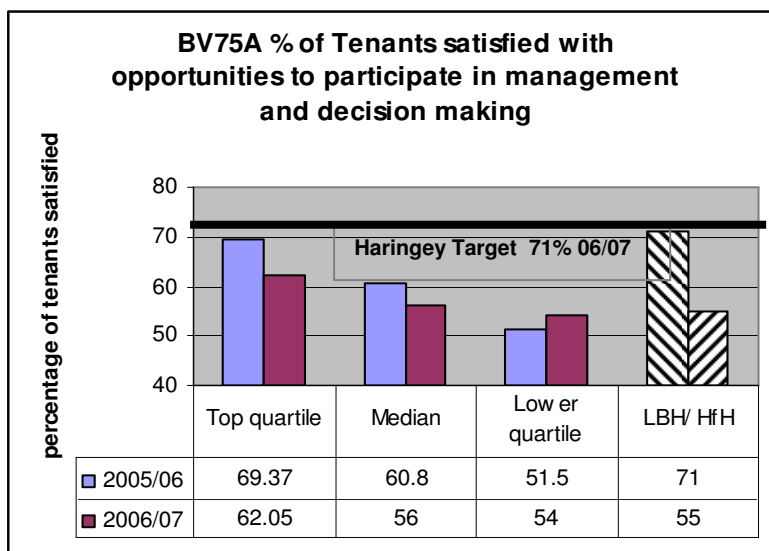
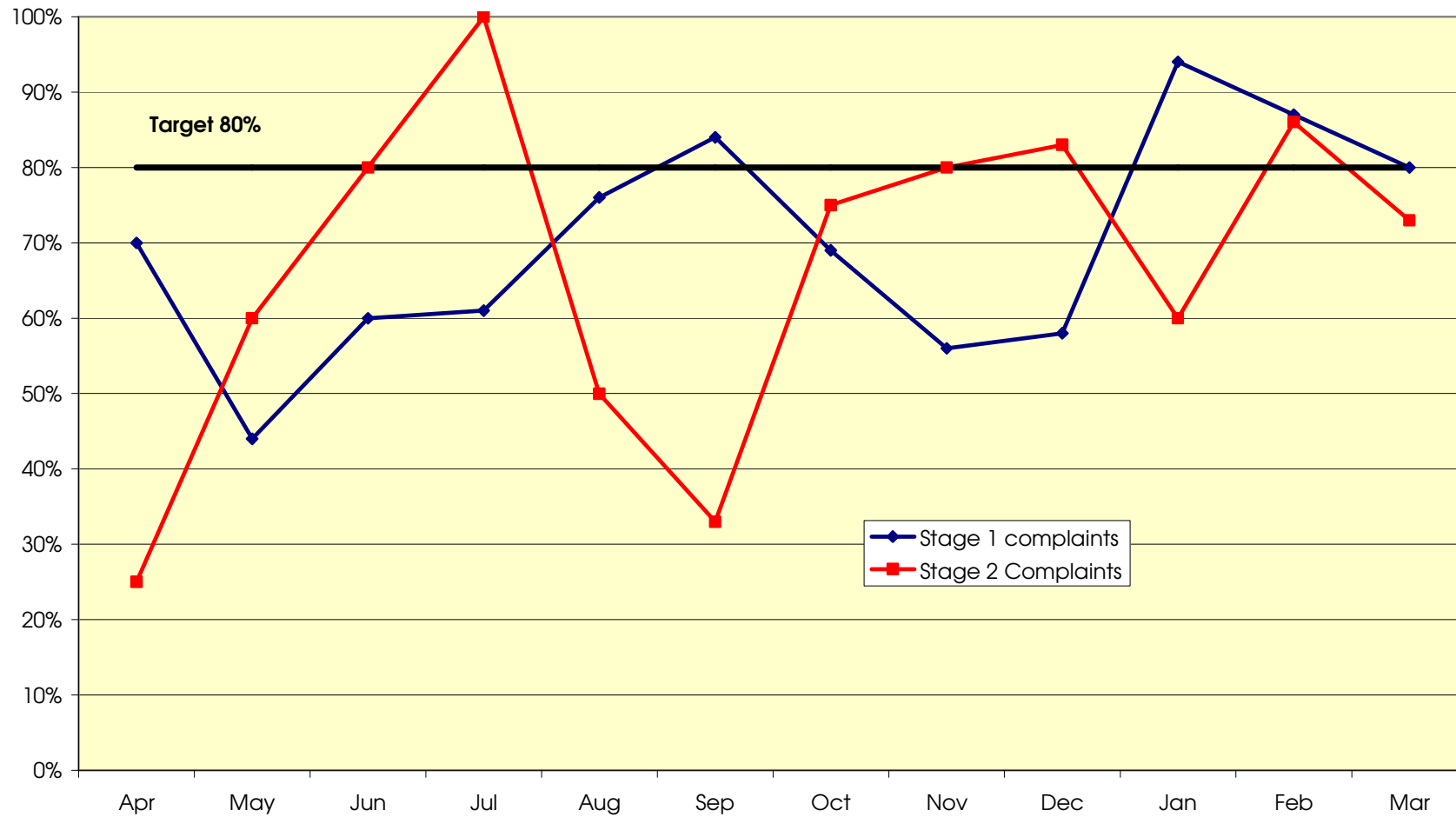


Table 8 (Source Housemark and HfH report)

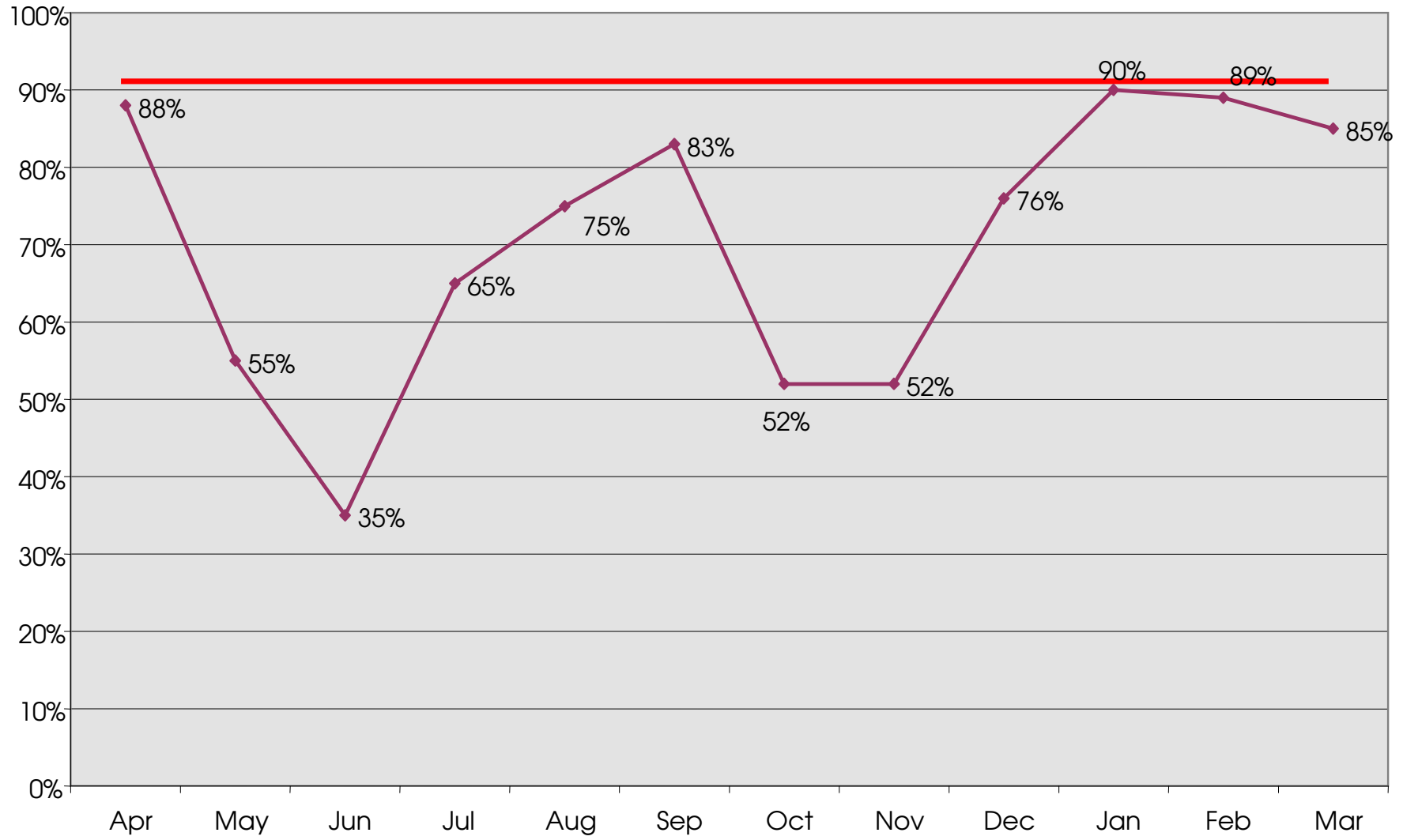
Appendix B Table 1: % of Stage 1 and Stage 2 complaints answered in target

2006/07 performance - % stage 1 and stage 2 complaints answered in target



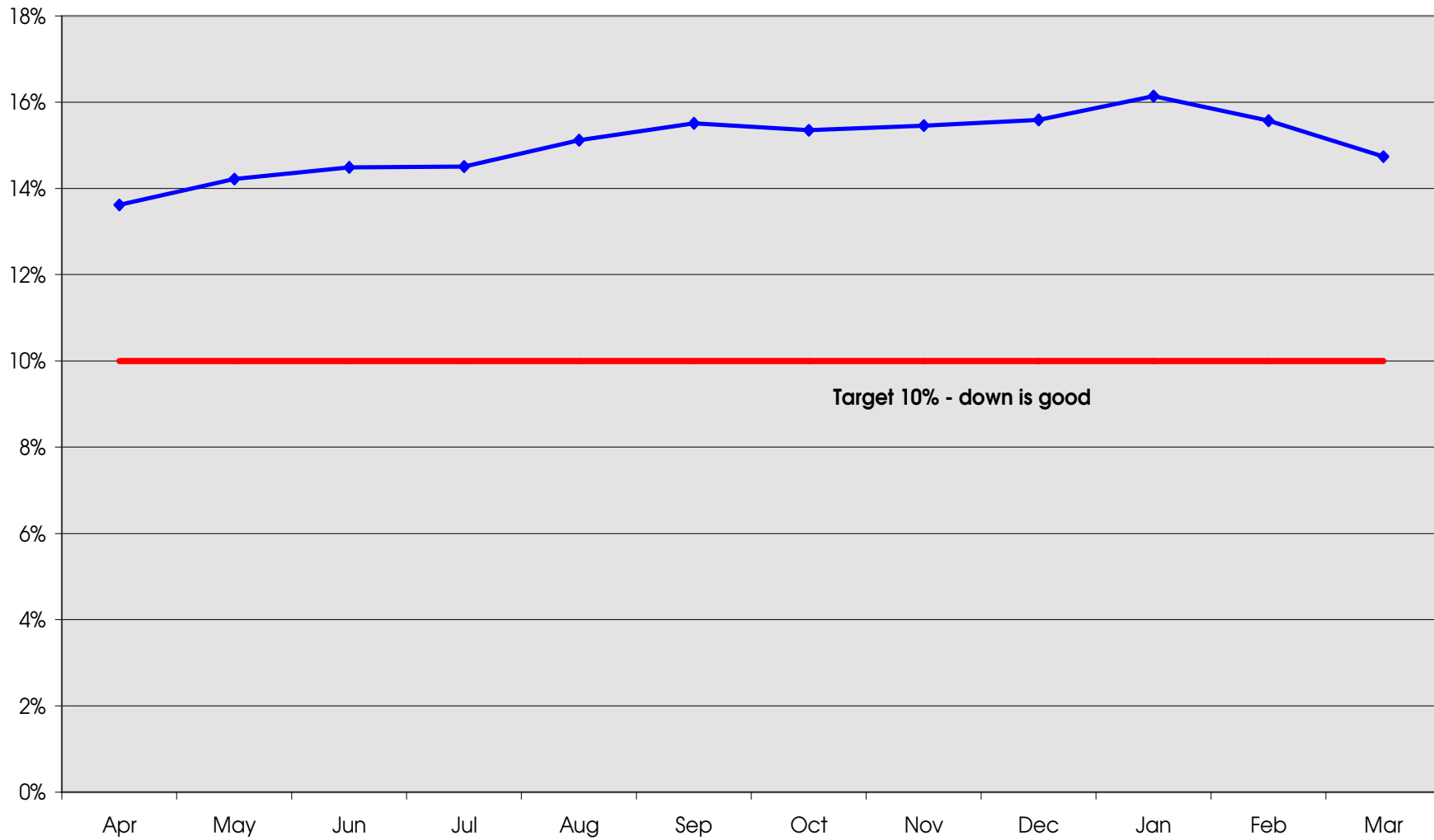
Appendix B Table 2: % of Members enquiries answered in 10 day target

2006/07 - % members enquiries answered in 10 day target



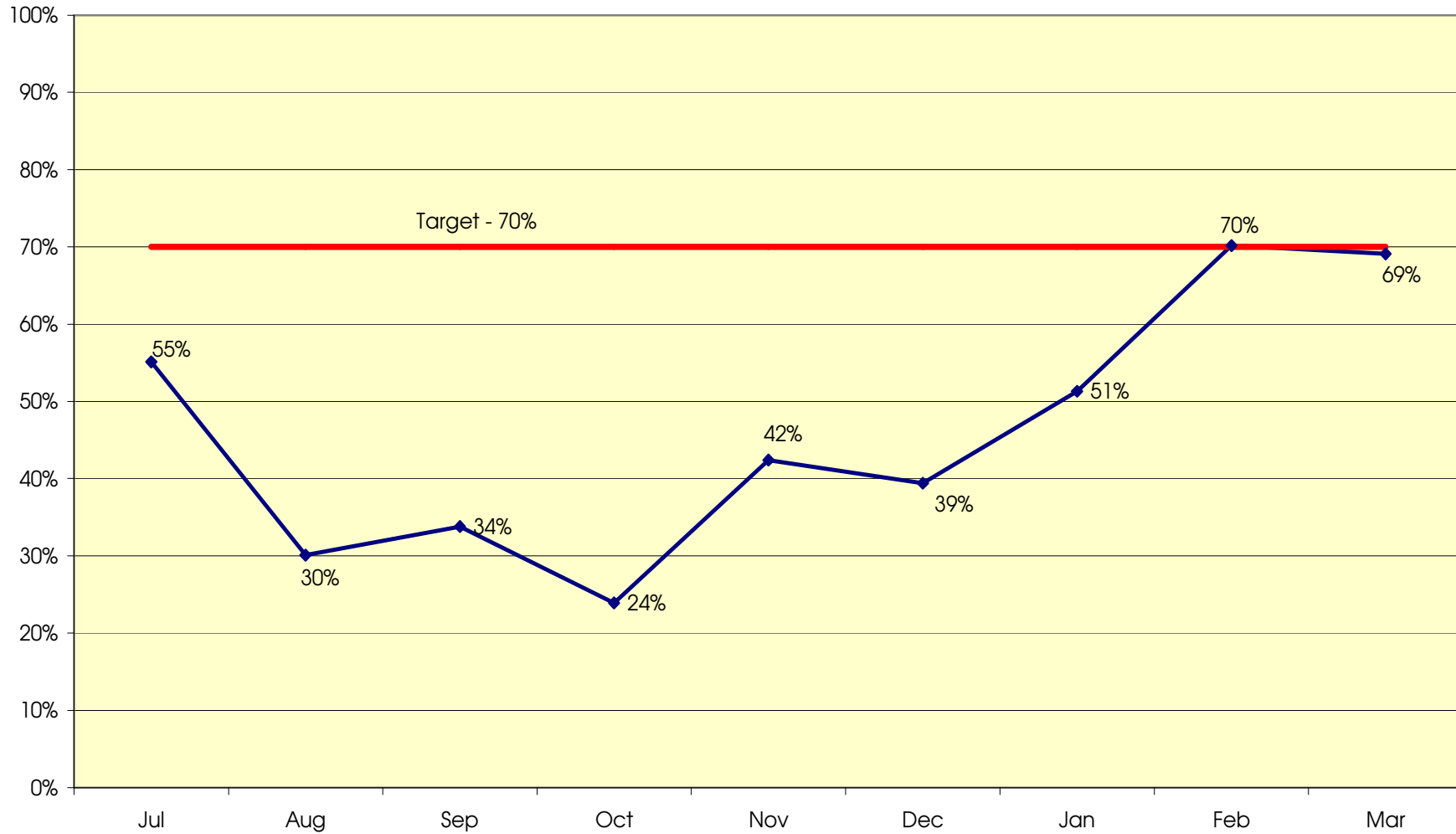
Appendix B Table 3: BV 66b % of tenants owing over 7 weeks gross rent

2006/07 - % of tenants owing over 7 weeks gross rent



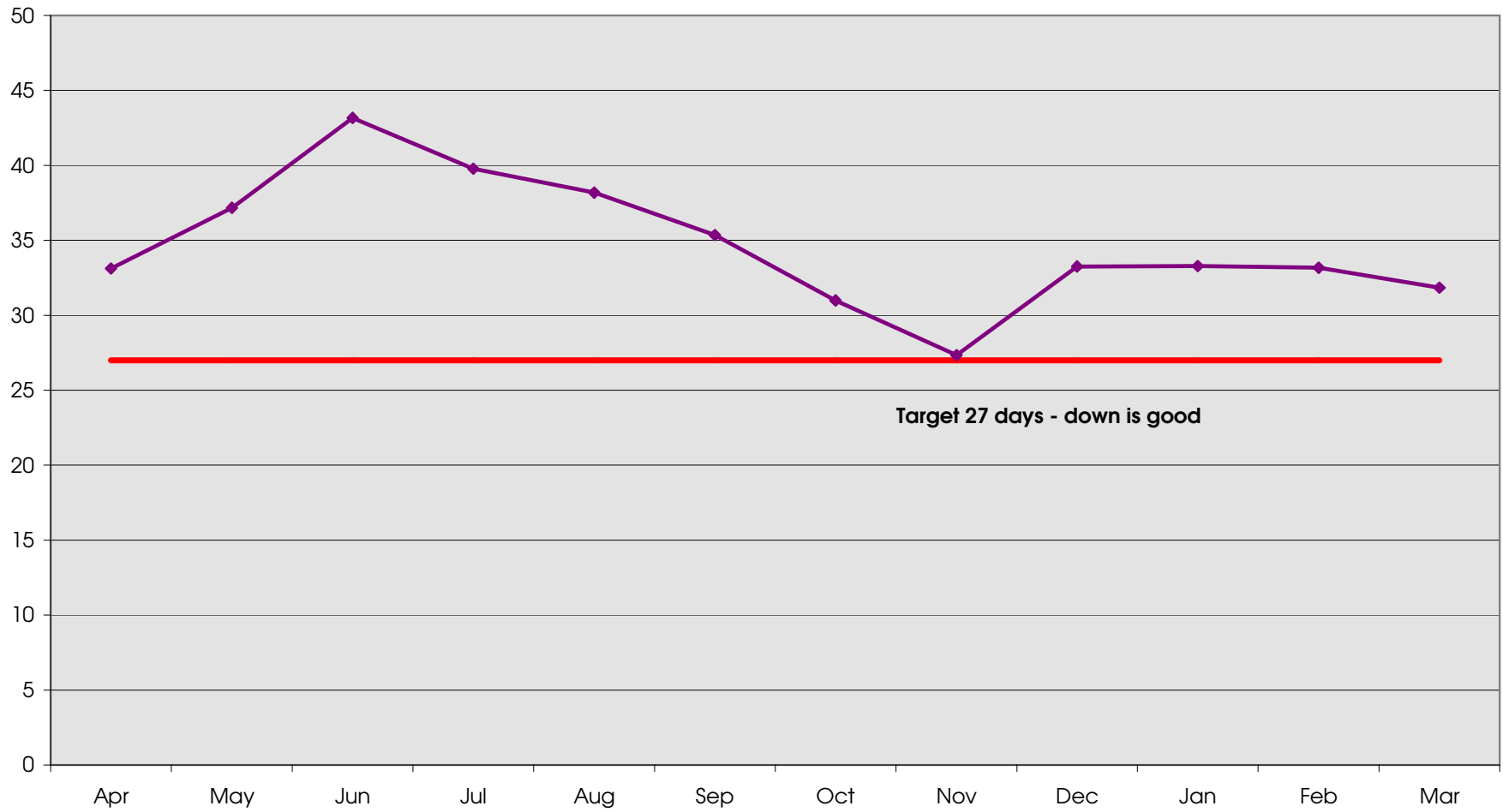
Appendix B Table 4: % of stage 1 ASB tasks completed in target

2006/07 - % of stage 1 ASB tasks completed in target



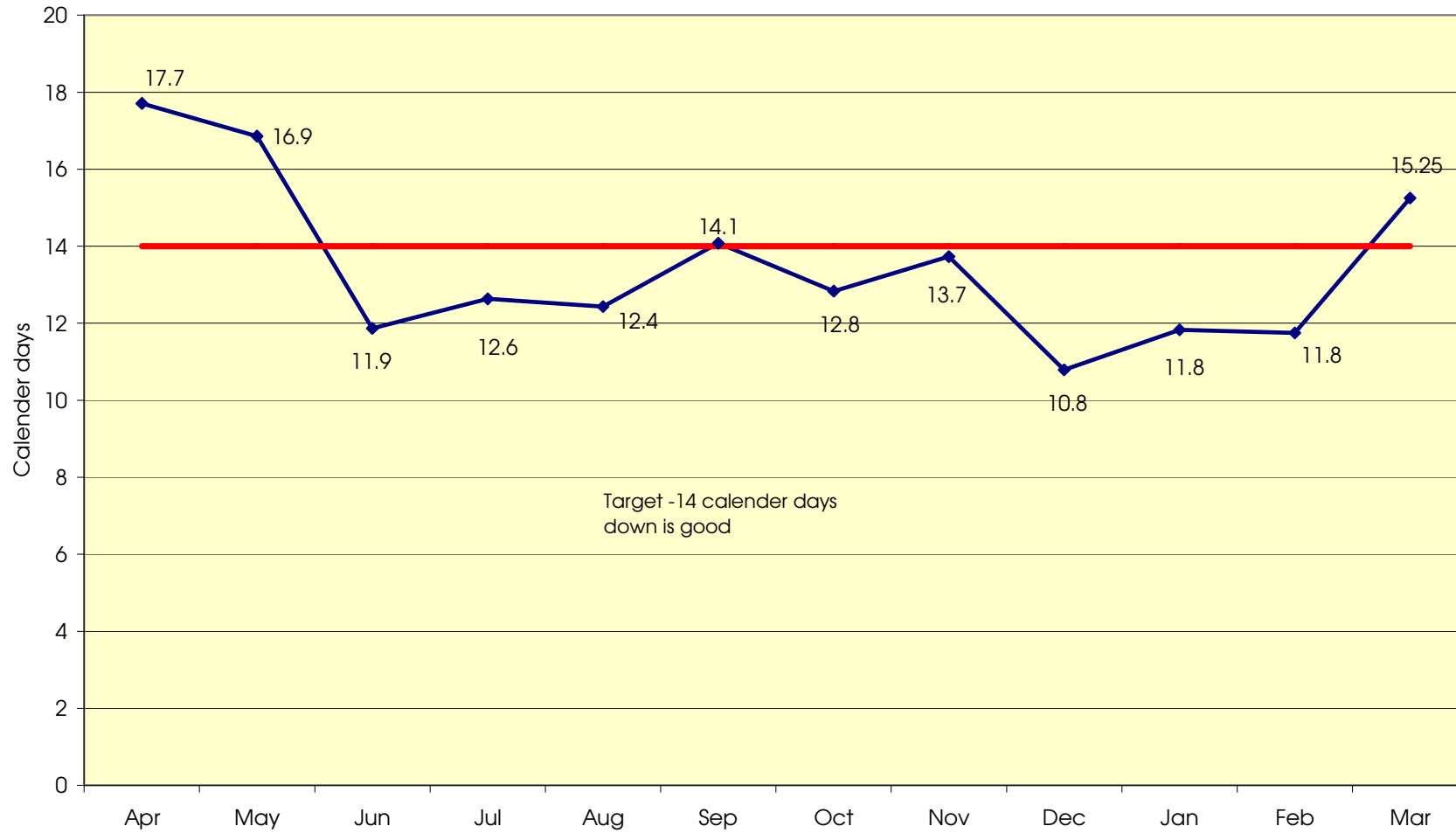
Appendix B Table 5: BV212 average void turnaround in calendar days

2006/07 - average void turnaround in calendar days



Appendix B Table 6: BV 73 Average time in calendar days to complete non-urgent repairs

2006/07 - Average time in calendar days to complete non-urgent repairs



Appendix B Table 7: % of homes with valid gas certificate

2006/07 - % of homes with valid gas certificate

