

You are requested to attend a meeting of the Tenant Services Management Board to be held in The John Meikle Room, The Deane House, Belvedere Road, Taunton on 23 June 2015 at 18:00.

Agenda

- 1 Apologies.
- 2 Minutes of the meeting of the Tenant Services Management Board held on 1 June 2015 (attached).
- 3 Public Question Time.
- 4 Declaration of Interests
To receive declarations of personal or prejudicial interests, in accordance with the Code of Conduct.
- 5 Welfare Reform 2014/15 End of Year Report
Reporting Officer: Paul Hadley
- 6 Financial Outturn 2014/15
Reporting Officer: Lucy Clothier
- 7 Performance Indicators Quarter 4 2014/15
Reporting Officers: Phil Webb
Stephen Boland
- 8 Rent Arrears by Area
Reporting Officer: Stephen Boland
- 9 Responsive Repairs Performance
Reporting Officer: Phil Webb

Bruce Lang
Assistant Chief Executive

16 September 2015

Members of the public are welcome to attend the meeting and listen to the discussions.

There is time set aside at the beginning of most meetings to allow the public to ask questions.

Speaking under "Public Question Time" is limited to 4 minutes per person in an overall period of 15 minutes. The Committee Administrator will keep a close watch on the time and the Chairman will be responsible for ensuring the time permitted does not overrun. The speaker will be allowed to address the Committee once only and will not be allowed to participate further in any debate.

Except at meetings of Full Council, where public participation will be restricted to Public Question Time only, if a member of the public wishes to address the Committee on any matter appearing on the agenda, the Chairman will normally permit this to occur when that item is reached and before the Councillors or Tenant Services Management Board Members begin to debate the item.

This is more usual at meetings of the Council's Planning Committee and details of the "rules" which apply at these meetings can be found in the leaflet "Having Your Say on Planning Applications". A copy can be obtained free of charge from the Planning Reception Desk at The Deane House or by contacting the telephone number or e-mail address below.

If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

These arrangements do not apply to exempt (confidential) items on the agenda where any members of the press or public present will be asked to leave the Committee Room.

Full Council, Executive, Committees and Task and Finish Review agendas, reports and minutes are available on our website: www.tauntondeane.gov.uk



Lift access to the John Meikle Room and the other Committee Rooms on the first floor of The Deane House, is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available off the landing directly outside the Committee Rooms.



An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter.

For further information about the meeting, please contact the Corporate Support Unit on 01823 356414 or email r.bryant@tauntondeane.gov.uk

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Tenant Services Management Board Members:-

Mr R Balman

Councillor R Bowrah, BEM

Mrs J Bunn

Ms M Davis

Mr M Edwards

Mr D Etherington

Mr D Galpin

Mrs J Hegarty

Mr K Hellier

Mr I Hussey

Mr R Middleton

Councillor Miss F Smith

Minutes of the meeting of the Tenant Services Management Board held on Monday 1 June 2015 at 6pm in the JMR, the Deane House, Belvedere Road, Taunton.

Present: Mr R Balman (Chairperson)
Ms M Davis (Vice-Chairperson)
Mrs J Bunn, Mr D Etherington, Mr D Galpin, Mr K Hellier, Councillor Bowrah.

Officers: James Barraah (Director of Housing & Communities), Simon Lewis (Assistant Director – Housing Community Development), Stephen Boland (Housing Services Lead), Jo Humble (Housing Development and Enabling Manager), Julie-Anne Gordon (Development Officer), Caroline White (Housing Development Project Lead), Sam Muckett (Right to Buy Officer), Martin Price (Tenant Empowerment Manager), Tracey Meadows (Democratic Services Officer), Michelle Brooks (Democratic Services Officer),

Others: Councillor Coles

(The Meeting commenced at 6.00pm)

1. Apologies

Mr M Edwards, Mrs J Hegarty, Mr I Hussey, Mr R Middleton, Councillor Miss F Smith.

2. Public Question Time

No questions received for Public Question Time.

3. Declarations of Interests

Councillor Bowrah declared personal interest as members of his family were Taunton Deane Borough Council Housing Tenants.

Mr R Balman, Mrs J Bunn, Ms M Davis, Mr D Etherington, Mr D Galpin, and Mr K Hellier declared personal interests as Taunton Deane Borough Council Housing Tenants.

4. Weavers Arms Development, Rockwell Green, Wellington

The planning application for this project was submitted in Early September, with phase 1 to begin in early June. There are two remaining tenants and TDBC is currently working with them to clear the site, however one family is not engaging. A dashboard approach similar to Creechbarrow Road is to be taken.

During the discussion of this item, Board Members made the following comments and asked questions. Responses are shown in italics:

- How long before the tenant will be out?
Looking at legal options. First Stage is to serve notice and wait 28 days, then submit claim for possession to move. County Court will notify of hearing, this could be 7-9 weeks waiting. A Judge will schedule a hearing time whereby both parties submit information for / against possession.
- If the Tenant does not appear at the Court hearing, what happens?
Tenants always encouraged to attend by supporting them through the process, i.e. suitable properties offered, basis of number of bedrooms, location, consideration of work, dependants and school etc. Obviously if the tenant does not turn up, makes a stronger case for the Council.
- Worst case scenario, what happens if the tenant absolutely refuses to move?
Listen to tenant and continue to support, offer reasonable property to move to. The County Court Judge normally schedules a moving date. If the tenant does not move within the timeframe, then a warrant for a bailiff to attend premises is applied for, accompanied by the police if needed.
- What is the cost of this for the council?
The tenant still pays rent, but there is financial support for the tenant decanting – packing service, removals, home loss payment, plus others.
- Are the tenants staying hoping for extra money, extra bedrooms and have they been made aware of the current situation?
The tenants are aware of the situation, a range of support measures have been implemented by the Development Office, definitely gone the extra mile and demonstrated the help and assistance that is available. The area looks more like a building site, with many properties boarded up, considering putting a fence around the whole area to stop items being stolen.

5. Photovoltaic Installations and External Wall installation

An investment of £1.5 m will see installation of 350 photovoltaic systems to TDBC housing stock. Restrictions have been put in place by Western Power Distribution. A mailshot has been sent out, and homes identified, with some, mainly elderly / infirm not wanting intrusion or disruption to their home. Refusal to have work done can work as an advantage, as this allows the pickup of homes that would like it done, but currently are unable due to restrictions. One third of the properties have been completed, and the hope is to have the project completed by August, depending on cooperation with Western Power Distribution. There have been a few complaints to do with scaffolding, these issues are unavoidable and are all being monitored.

During the discussion of this item, Board Members made the following comments and asked questions. Responses are shown in italics:

- Recommendation of a 3 month response survey with results being made available to the Board.
100% post insulation survey good idea, but 6 months recommended, collect bills etc.
- This is a small scheme 350, how can expectations be managed? Some people are asking for it and will be disappointed.
Due to Western Power Distribution limitations and locations, some homes definitely cannot have photovoltaic, and therefore unable to avoid disappointment. The grid requires strengthening to add more houses, and the location of house or the roof not being big enough is also an issue.
- Can TDBC fund grid strengthening? Maybe tenants can pay a small amount.
The budget was £1.5 m and state energy funds reduced some costs. TDBC will review cashflow business plan over next few months.
- Are the houses insulated to a standard?
All houses have an EPC less than D

6. External wall insulation.

Work to start next week on 41 Cornish non-traditional properties to remove cladding and replace it with solid wall insulation. Preparation / installation will take two weeks, with old cladding being inspected for asbestos. Work should be completed by September with the benefit being felt in Bludgeon Hill, Stoke St Mary and Ruishton.

During the discussion of this item, Board Members made the following comments and asked questions. Responses are shown in italics:

- Trigger point for problems?
Asbestos surveys need to be carried out. Inspection will show areas for concrete cancer and the surveyors will take this case by case. EWI has the longest life span and The Low Carbon Exchange have been appointed.
- Will Woolaways be fitted?
Retro for Cornish only, Woolaways defective and short life span – need to look at all options.

7. Right to Buy Social Mobility Fund Home Ownership Cash Incentive Scheme

Announced a successful bid for £300,000 from the Right to Buy Social Mobility Fund. This is in partnership with Magna West Somerset and West Somerset and equates to a grant of £20,000 to a potential fifteen applicants. Restrictions and timescales are tight, must be open market property and must have exchanged and in process of competing by 31 Mar 2016. Grant determination letter to be issued from DCLG after consultation with the 151 Officer, once details known further work is required to ensure financial procedures and arrangements are in place.

During the discussion of this item, Board Members made the following comments and asked questions. Responses are shown in italics:

- Applaud this scheme, but only 15 is a concern
There is currently no indication of number of people prepared to take this offer up. With reputation to consider, better to fulfil the current allocation and then apply for more in the next bid round.
- £20,000 enough incentive? Big difference between right to buy and open market, should consider ramping up percentage or offering a right to build programme.
Have to look at cost matching, there is a tight time scale. If announce more funding and TDBC successful maybe there will be room for an increase. Right to self-build information on TDBC website, land supply is fundamental and look at better use of land supply.

8. Deane House relocation update.

With Deane House needing significant investment, the Council has carried out occupancy surveys and estimated costs to repair the building. Deane House is deemed too large for current requirement, and there is a need to provide easy customer access and agile and flexible ways of working. This will change the way of working, IT provision will improve and customer interaction will be via the web more often – on the whole cheaper. The Council has considered two options, relocation or new build. After a full DTZ evaluation of both financial and non-financial factors, County Hall was considered the best value for money. A full report is to be submitted to Council pending work to a full business case. Sue Tomlinson is the full time project manager, and is currently preparing a full business case. Approximate dates for submission and sign offs:

- 26 June 2015 – TDBC confirm general requirements
- 24 July 2015 – TDBC sign off concept designs
- Dec 2015 – Full business case to

Points to note:

- Shared reception area (TDBC, SCC, Police, other partners)
- Better ICT, document management
- TDBC smart office principles will offer 40% reduction of desks
- Flexible /agile working – work is an activity not a place
- Staff – big change and all facets affected; relocation, SMART office, multi agencies
- IT – challenge to set up the SMART office
- Tenants – location, environment, ways to pay

During the discussion of this item, board members made the following comments and asked questions. Responses are shown in italics:

- Parking will be reduced, can the current car parking area be retained?
*Available short term parking for short transactions and Members.
Currently looking into utilising other assets, land holdings and park and ride concessions, biggest impact will be for staff.*
- Suggested name SATIC (Somerset and Taunton Information Centre)
Great idea, all names gratefully received, currently looking at branding.
- How will the SMART office work in County Hall?
The physical environment will use fewer workstations and breakout areas. The desk size will be smaller, with a level of area zoning i.e. housing / planning. As workers can be internally / externally mobile

fewer desks needed, but lockers provided.

- Income from Deane House?
Site surveys will be carried out and consideration of lump sum or commercial regeneration considered. Revenue or return and stake in profit business case work in progress.
- Incentive to use public transport?
Loan scheme for bicycles, mileage for bicycles and car share.
- Will the rent machine / kiosks be available, when will meetings be held?
Assume that all machines / kiosks in the new building. Should be no clash of meetings as County meet in the day, and TDBC in the evening.

9. Introduction of Housing Portfolio Holder and Acknowledgement and Appreciation outgoing Chairman.

James Barraah introduced the new Housing portfolio holder, Cllr Terry Beale.

Formal acknowledgement of work and commitment from Dustyn Etherington, during his time as Chairman of the Tenant Services Management Board.

Dustyn took up the Chairmanship in 2010. He has worked to steer engagement, regularly attendance to hear views and has been a credit to benefit all tenants, all the while being fair and confident in his leadership. He has reached many milestones including, but not limited to:

- Creechbarrow Road development, ensuring TDBC received back more properties than it lost and a regeneration that received local and political support.
- New Tenancy Policy that provided security for current and future tenants
- HRA Business Plan - helping shape the priorities and undertaking annual review
- Co-regulation – using performance indicators and financial reports to make sure TDBC is on track to deliver what it is supposed to and not being afraid to ask questions when it is not. Creation of “Top Ten” performance indicators that is available for all tenants to see in the quarterly newsletters and TDBC website.

- Making sure major policies are correct before they are introduced – for example anti-social behaviour and welfare reform

Dustyn was thanked for his support and work over the years, quoting Dustyn from the Tenants' Talk Newsletter – November 2009

Tenants' Talk Newsletter - November 2009

"I started to get involved in local group meetings and also attending Tenants' Forum meeting hoping to make a difference or be part of a decision making process that would help towards improving the lives of those who live in our council housing, from basic home improvements to addressing anti-social behaviour. I do not have all the answers to some problems, but collectively those that live with the problems associated with social housing have a better understanding than those who do not. So tenants should and must be given a say over their own housing because in the end they pay for it in more ways than one."

All agreed that Dustyn had more than fulfilled his intentions and purpose, and should be congratulated on his achievements and all wished Dustyn well for the future.

(The meeting ended at 8:10pm)

Declaration of Interests

Tenant Services Management Board

- Taunton Deane Borough Council Housing Tenants;
 - Mr R Balman
 - Mrs J Bunn
 - Mr M Davis
 - Mr M Edwards
 - Mr D Etherington
 - Mr D Galpin
 - Mrs J Hegarty
 - Mr K Hellier
 - Mr I Hussey
 - Mr R Middleton

- Family Member(s) are Taunton Deane Borough Council Housing Tenant;
 - Councillor Bowrah
 - Councillor Miss Smith

Tenant Services Management Board – 23rd June 2015

Welfare Reform 2014/15 End of Year Report

Report of – Michaela Mullen Welfare Reform Project Officer & Steven Clarke Tenant Services Development Officer

(This matter is the responsibility of Executive Councillor Terry Beale)

Executive Summary

This report covers the second year since the introduction of the Welfare Reform Act 2012 and its effects on Taunton Deane Borough Council Housing Service tenants.

The main points of the report are as follows:

- Summary of the Welfare Reform 2012 legislation
- Work of the Welfare Reform Project Officer
- Digital Inclusion Project update
- Universal Credit Update

1.0 Introduction

On the 1st April 2013 the Welfare Reform Act 2012 became law, it brought in the following main points:

- Under Occupancy Penalty (Bedroom Tax)
- Benefit Cap
- Non Dependant Deductions
- Universal Credit

The welfare reforms have reduced the level of benefit that applicants can receive if they have a spare bedroom in their council home. The changes only apply to housing benefit claimants of working age, and are referred to as the 'Under Occupancy Penalty' or more commonly the 'bedroom tax'.

The reduction is a fixed percentage of the eligible rent. The reduction is 14% for one spare bedroom and 25% for two or more spare bedrooms.

Another element of the Welfare Reform Legislation was the introduction of the Benefit cap which limited the amount of benefits that people could claim:

- Single people £350 a week
- Couples or lone parents £500 a week

The criteria for non-dependent deductions have also been adjusted for social housing tenants to bring this in line with the private rented sector. Tenants who have family members over 18 years living at home who are not in education or work. But are claiming benefit will lose approx. £14.55 per week

Disability Living Allowance has been replaced by the Personal Independence Payment which uses more robust medical assessment criteria, in an attempt to get more people into work.

Council Tax Benefit is now called Council Tax Support and all working age residents now have to contribute to their council tax payments. This is a direct result of the government localising council tax schemes.

Universal Credit the new single monthly payment for people who are looking for work or on a low income. (See para 3.0)

2.0 Information

2.1 Welfare Reform Project Officer

The welfare reform project officer continues to offer support and assistance to tenants affected by the Welfare Reform Act 2012. They include the following:

- Providing tenants with the appropriate advice and support
- Ensure tenants are claiming all benefits they are entitled to
- Helping tenants to improve their money management skills with Citizens Advice
- Help tenants resolve any debt problems they may have working with partner agencies
- Promote the use of bank accounts in preparation of the introduction of Universal Credit
- Promote paying of bills by direct debit
- Help improve tenant access to low cost credit and opportunities for saving
- Working with the Digital Inclusion Project officer to enable tenant access to the internet

- Assist tenants in moving to more affordable accommodation which better meets their household needs
- Review the rent recovery protocol and procedures
- Provide and support staff with training about the Welfare Reform Act
- Continue to promote close working relationships with partner agencies i.e. DWP, Citizens Advice
- Continue to visit tenants to complete DHP applications.

The visits the WRPO make which can take up to one hour to complete can include the following:

- Explains about the changes which have affected the tenants
- Completes financial statements to support applications for DHP's
- Sign posts tenants to support agencies in relation to any debt issues
- Explains about the Transfer Removal Grant process
- Explains about the Mutual Exchange process
- Offers help and support to tenants

2.2 Tenants Affected by Under Occupancy Penalty

In April 2014 there were 385 tenants affected by the Under Occupancy (Bedroom Tax) compared to 477 in April 2013. At the introduction of the under occupancy penalty in April 2013 there were already 100 tenants in rent arrears for a number of reasons. i.e. non dependant deductions, shortfall in housing benefit, non-payment of rent.

At the start of April 2014 there were 201 affected tenants in rent arrears. (See Chart 1 & 2 in Appendix A) The average number of tenants affected in 2013/14 was 428 per month against 385 in 2014/15.

2.3 Overall rent arrears

In April 2015 total rent arrears were £344,242.82 compared to £382,583.18 in April 2014 (See Chart 3 in Appendix A). Of this in April 2014, £38,704.25 pertained to tenants affected by the under occupancy penalty, whereas in April 2015 this had risen to £44,874.09.

From an initial sharp increase over the first quarter in 2013 the trend has tended to level out over the twelve month period with an average monthly change in 2013/14 of £922.17 and in 2014/15 of £1,370.61. With an increase of £1597.15 on the total rent arrears figure in 14/15 compared to 13/14. (See Chart 4 in Appendix A)

2.4 Discretionary Housing payments (DHP)

In 2013/14 the Revenue & Benefits Department were allocated a DHP budget of £135,000 from central government. Due to the proactive approach of the housing staff in assisting with applications and supporting vulnerable households, 122 TDBC tenants were awarded a total of £52,896.52 in DHP payments.

The DHP budget in 2014/15 was £132,000 during the year 118 TDBC tenants were awarded £44,322. The difference can be attributed to other housing providers taking a more proactive approach when applying for DHP's and tenants moving to more suitable accommodation that meets their housing need.

The DHP budget for 2015/16 is £117,000.

The positive impact that the DHP's awarded to TDBC tenants should not be underestimated. Many more households would have fallen into rent arrears had the DHP not been available which could have resulted in a greater number of households having their tenancy at risk than was the case. Additionally arrears recovery performance would have been negatively affected with the possible result that year end recovery targets may not have been achieved with the resulting negative impact on the HRA business plan.

2.5 Eviction

From information received from the Area Community Managers, In 2014/15 County Court action has been taken against 21 households who have been affected by the under occupancy penalty and 2 households who have been evicted.

2.6 Digital Inclusion

Following a survey of our tenants in 2013 it showed that 56% of tenants did not have access to the internet. To support and assist our tenants with both digital and financial inclusion. Housing Services have installed kiosks to enable tenants to get online in the following places:

- The Deane House
- Priorswood Resource Centre
- Wellington Community Office
- Newton Road Meeting Hall
- Moorland Place Meeting Hall
- Heathfield Drive Meeting hall
- Darby Way Meeting Hall
- Middleway Meeting Hall
- Creedwell Orchard Meeting Hall

Each kiosk will enable tenants to access the following Websites:

- TDBC
- SCC
- DWP
- NHS Direct
- Somerset Savings and Loan
- Somerset Advice Network
- CAB
- uSwitch
- Job Centre Plus
- Universal Jobsearch
- My worksearch
- Home finder
- Home Swapper
- The Money Advice Service
- Google

See chart 5 in Appendix A for usage of the kiosks

3.0 Universal Credit

Universal Credit (UC) is the new single monthly payment for people who are looking for work or on a low income and will replace:

- Income-based Jobseeker's Allowance.
- Income-related Employment and Support Allowance.
- Income Support.
- Child Tax Credits.
- Working Tax Credits.
- Housing Benefit.

Universal Credit should not be seen as a re-working of the current welfare system, it is an entirely new benefit:

- Most people will apply online and manage their claim through an online account.
- Universal Credit will be responsive – as people on low incomes move in and out of work, they'll get ongoing support, giving people more incentive to work for any period of time that is available.
- Most claimants on low incomes will still be paid Universal Credit when they first start a new job or increase their part-time hours.
- Claimants will receive just 1 monthly payment, paid into a bank account in the same way as a monthly salary.
- Support with housing costs will go direct to the claimant as part of their monthly payment.

Universal credit will only affect working age people (18-60yrs and 6 mths); they will be paid in a monthly payment direct into a bank account this amount will include their housing element.

There is a provision for housing providers to apply for the housing element of UC to be paid to them at the start of the tenants claim. If it can be proved the tenant falls into one or more of a number of vulnerability categories (set by the DWP). Also if a tenant falls into rent arrears after 8 weeks the housing provider can apply to the

DWP to have the housing element of the universal credit payment paid direct to them.

The DWP predict in 2015/16 that there could be up to 1108 UC claims made from residents in Taunton Deane. The Revenue and Benefits team have been allocated money for 2015/16 from the DWP to provide support and assistance to claimants of UC in relation to money management.

Universal Credit was introduced across Taunton Deane on the 20th April 2015. It will initially only affect single people aged between 18 and 60 years and 6 months who are making a new claim as these would have traditionally gone onto Job Seekers Allowance.

TDBC have set up a UC project team with staff from Revenue and Benefits and Housing Services led by Mark Antonelli the Principal Benefits Officer. They are working closely with the DWP and local partner agencies to ensure that claimants are supported throughout the Universal Credit application process.

4.0 Conclusion

It is clear that the greatest impacts have so far been felt by the tenants who are directly affected by the under occupancy penalty. Housing services has coped well with the challenges by re-allocating staff and working more closely with partners both in the public and voluntary sector. It would seem that the significant investment made in supporting tenants has helped to mitigate the worst of the impacts of the changes.

Results from the direct payment pilot sites across the country endorse this approach in helping tenants maintain their tenancies.

Information from the direct payment pilot sites across the country has shown there was an initial reduction in rent collection to on average 89%. But over the period of the pilots the rent collection has gone back up to on average 96%. As tenants and providers become used to the new way of how benefits are being paid and have adjust rent payments and collection accordingly.

The housing service has been working with tenants and partner agencies to counter the impact of welfare reform changes including Universal Credit on its rental income and will continue to monitor and review it throughout the year.

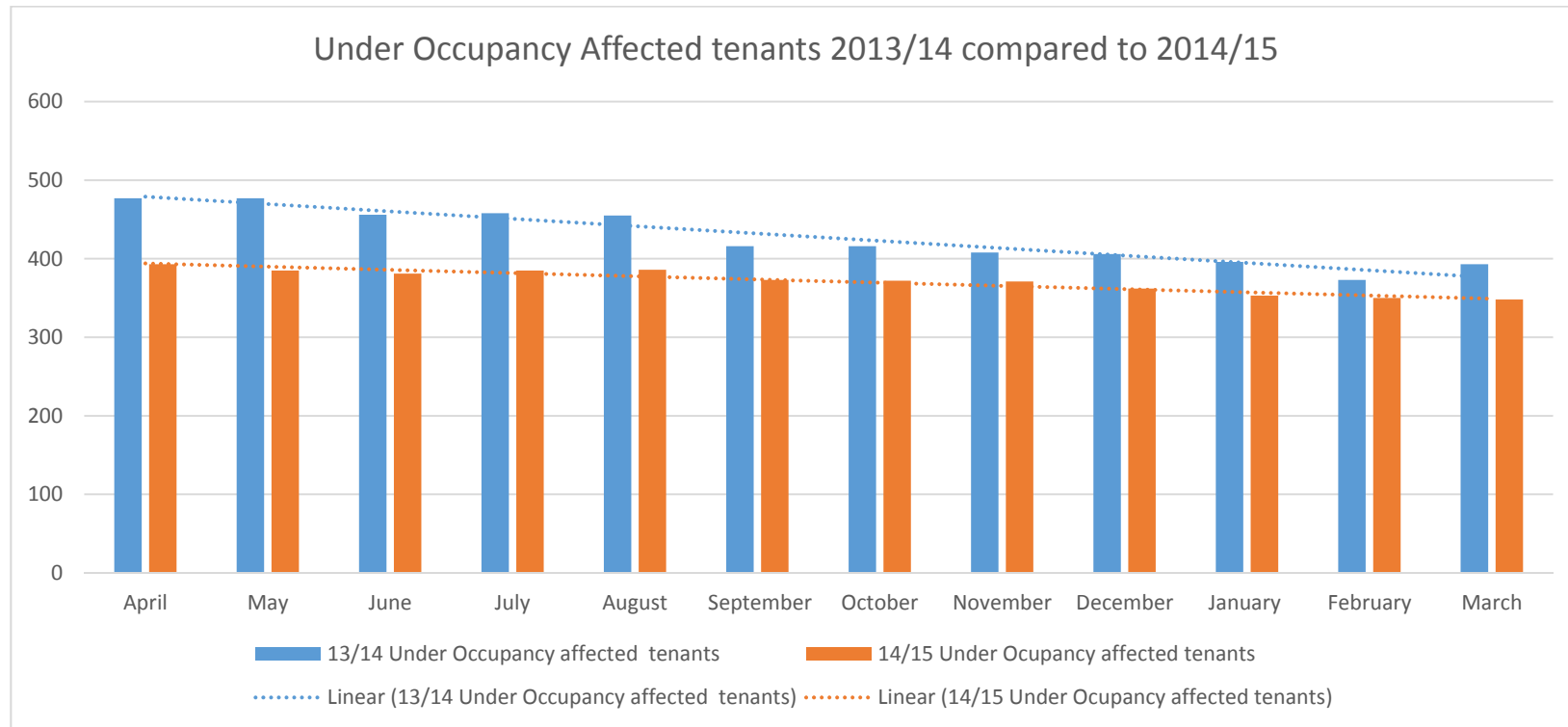


Chart 1

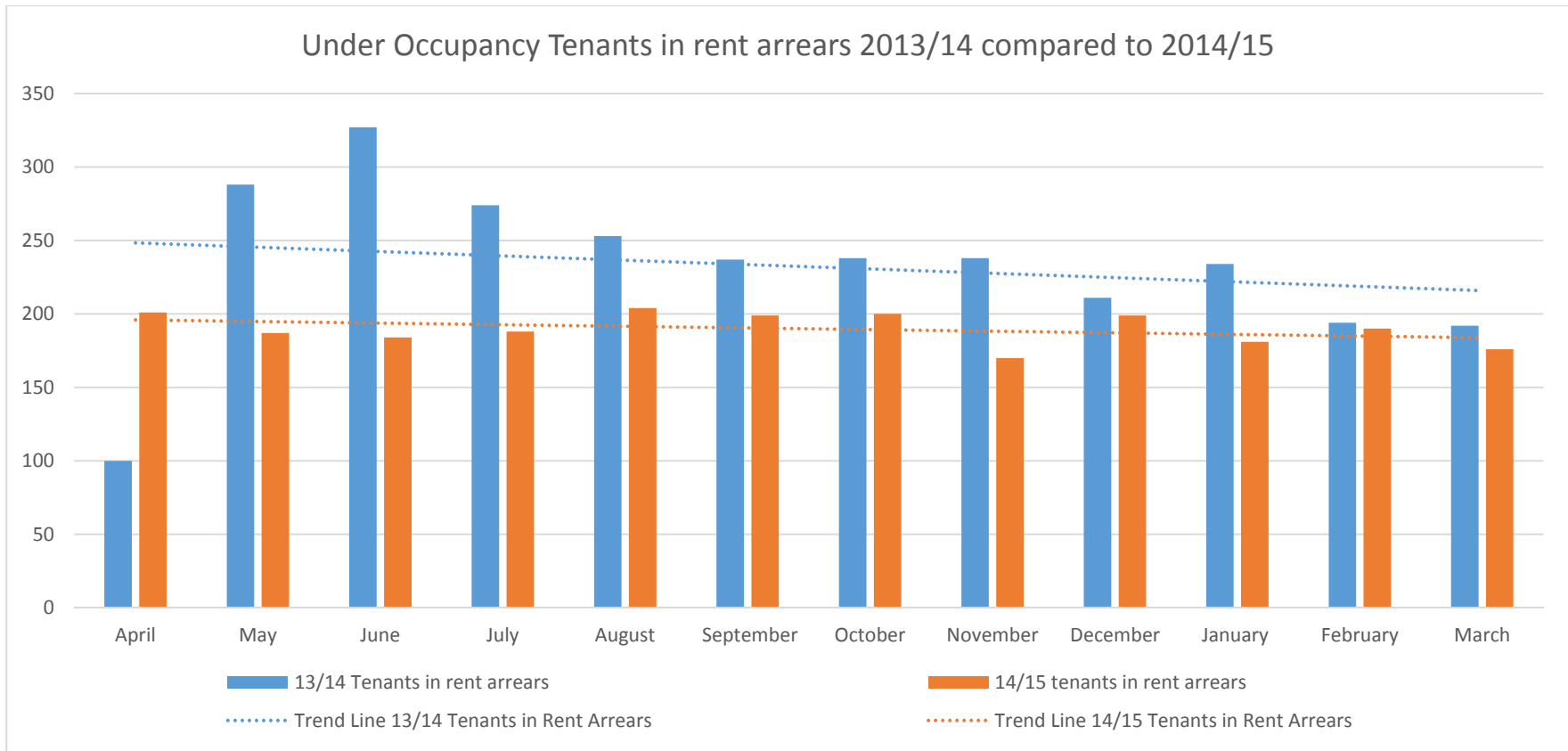


Chart 2

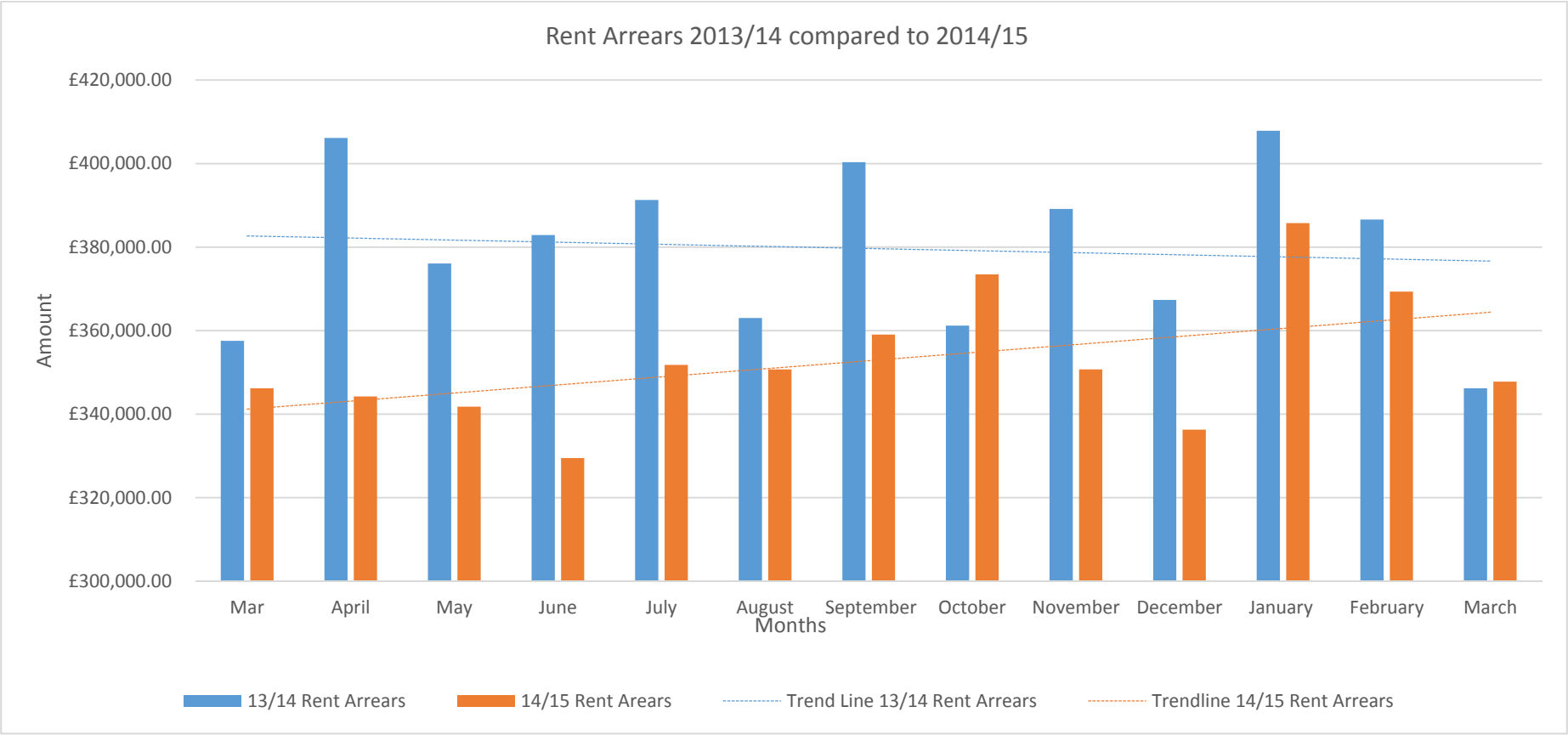


Chart 3

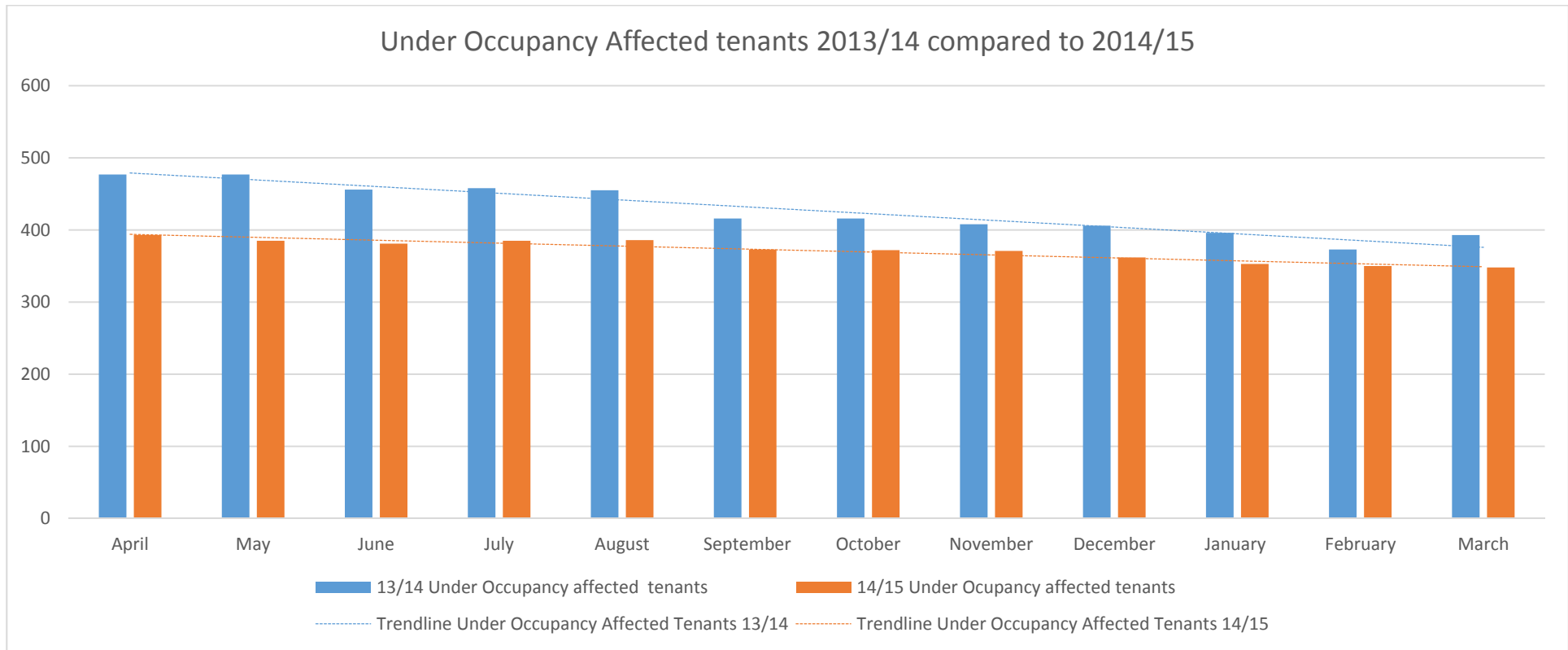


Chart 4

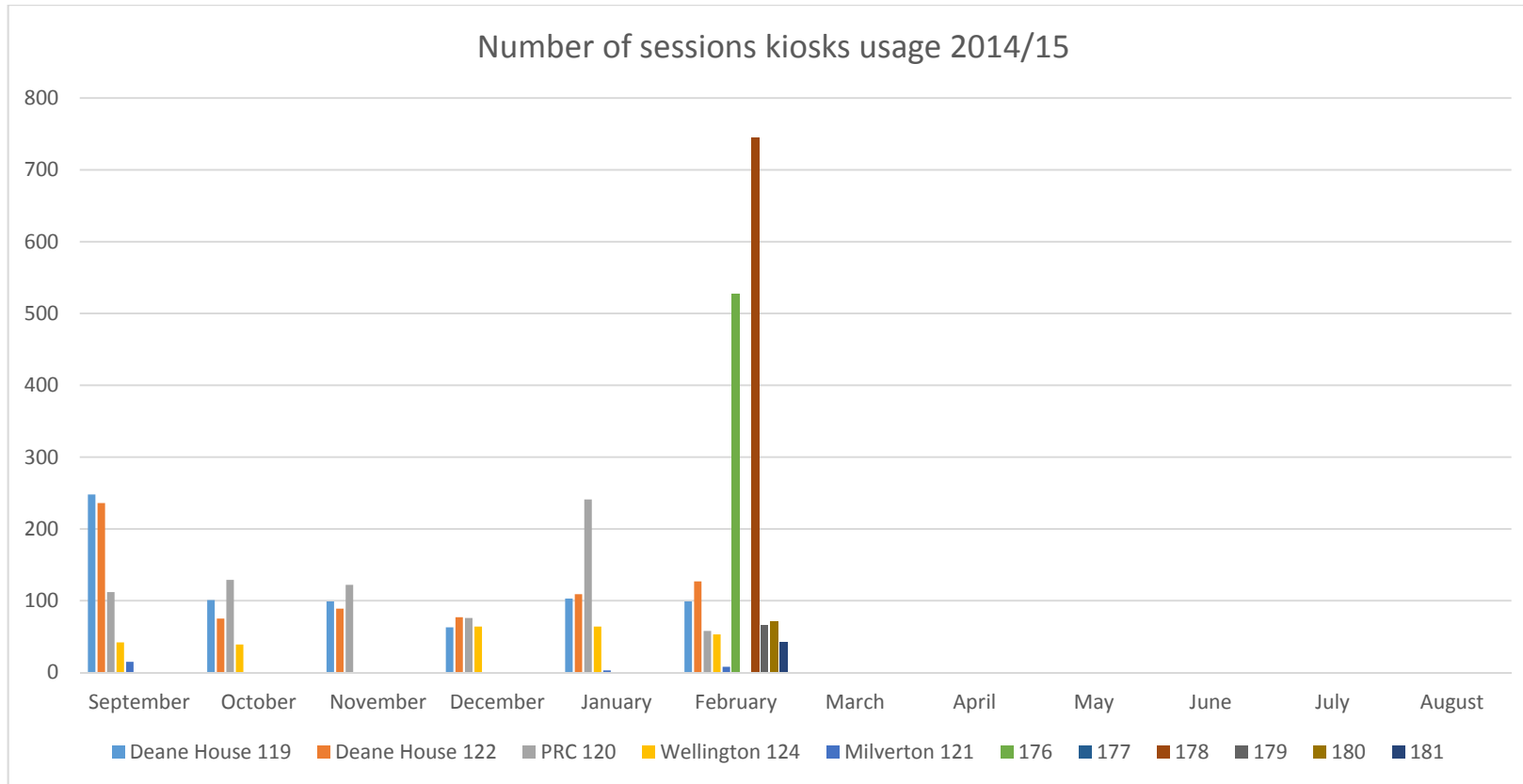


Chart 5

*Kiosks 176,177,178,179,180,181 only came online in Feb 2015

Taunton Deane Borough Council

Tenant Services Management Board – 23 June 2015

Financial Outturn 2014/2015

Report of the Senior Accountant - Services

(This matter is the responsibility of Executive Councillor Williams, Leader of the Council)

1 Executive Summary

This report contains information related to the HRA's financial performance for 2014/15 financial year. The outturn figures included are **provisional subject to external audit review**.

Housing Revenue Account (HRA) Revenue

The HRA is a 'Self-Financing' account for the Council's Housing Landlord function, which is budgeted to 'break even' (net of approved transfers to/from HRA Reserves). The HRA Outturn for 2014/15 is a net underspend of £1.269m (4.8% of gross income). This report explains the significant factors leading to this position. Section 6 of the report contains a number of proposals which, if approved, would allocated £0.649m of the net underspend to support investment in housing services.

The HRA Reserve balance as at 31 March 2015 stands at £3.484m, which is above the minimum level (£1.8m) set within the Council's Budget Strategy and HRA Business Plan. This balance would reduce to £2.835m if the allocations of £0.649m are approved.

The HRA Earmarked Reserves balance as at 31 March 2015 stands at £2.222m. This includes £112k related to the Social Housing Development Fund, which is earmarked for a range of purposes including to fund investment in new social housing provision within the Council's own housing stock, capital funding, the Community Development Fund, and maintenance contracts (see Appendix C).

HRA Capital

The HRA approved Capital Programme at the end of 2014/15 was £24.907m. This relates to schemes which will be completed over the next five years. The profiled expenditure on Capital Programmes during 2014/15 was £9.869m, as summarised in Table 4 below, with £14.793m being slippage for planned investment to implement approved schemes in future years. The underspend for the year is £245k related to disabled facilities adaptations.

2 Introduction and Purpose

- 2.1 This report informs Tenant Services Management Board of the HRA's financial outturn for revenue and capital expenditure in 2014/15.
- 2.2 The outturn figures contained in this report are provisional at this stage. The financial outturn will be taken into account when preparing the Council's Statement

of Accounts, which is due to be approved by the Strategic Director (S151 Officer) by the end of June, and is then subject to review by the Council's External Auditor. Should the External Auditor identify any changes to the Accounts these will be reported to Corporate Governance Committee in September this year.

3 2014/15 Financial Performance

- 3.1 The Board will be aware from previous experience that the position can change between 'in year' projections and the final outturn position. The budget monitoring process involves a detailed review of all budgets. Budget Holders, with support and advice from their accountants, regularly review the position and update their forecasts based on currently available information and knowledge of service requirements for the remainder of the year. As with any forecast there is always a risk that assumptions and estimates will differ from the eventual outcome, and a number of risks and uncertainties have been highlighted in previous quarterly reports. The outturn has been reasonably close to forecast in the majority of budgets. However, there are high value differences on a small number of budgets that have contributed to the overall change since Q3.
- 3.2 For the HRA Revenue Budget, the forecast outturn as at Quarter 3 (December 2014) was a surplus variance of £92k (0.4% of gross income) for the year. The year-end outturn position is a surplus variance of £1.269m (4.8%). Section 4 of the report below summarises the major variances to budget for the year and the main differences compared to the Quarter 3 Forecast.
- 3.3 HRA Capital projects year end outturn position is a net underspend of £245k, after taking into account budgets that have been re-profiled into future years for approved schemes. Please see Section 7 for further information.
- 3.4 The Council has continued to operate within the framework of its Budget Strategy and the overall financial standing at the end of the financial year is sound. The Reserve balance for the HRA is above the recommended minimum. An annual review of all Earmarked Reserves will continue with the aim of returning any surplus reserve balances to the General Reserve. The Council continues to face challenges around profiling capital spend, and we will seek to improve accuracy of forecasting between financial years.

4 Housing Revenue Account (HRA)

- 4.1 The HRA is a 'Self-Financing' account for the Council's Housing Landlord function, which is budgeted to break-even (net of approved transfers to/from HRA Reserves). The HRA Revenue Outturn for 2014/15 is a net surplus of £1.269m (4.8% of gross income).

Table 1: HRA Outturn Summary

	Budget	Outturn	Variance	
	£'000	£'000	£'000	%
Gross Income	(26,230)	(26,694)	(464)	2%
Service Expenditure	13,271	12,526	(745)	-6%
Other Operating Costs and Income	2,887	2,955	68	2%
Earmarked Reserve Transfers	1,108	1,108	0	0%
Capital Financing and Debt Repayment	9,556	9,557	1	0%
Technical Accounting Adjustments	252	123	(129)	-51%
Unearmarked Reserve Transfers	(844)	(844)	0	0%
Net Variance	0	(1,269)	(1,269)	4.8%

- 4.2 The HRA Revenue Outturn for 2014/15 is provided in more detail in **Appendix A**, and an explanation of the budget variances reported each quarter and at the year-end is provided in **Appendix B**. The major elements of this underspend position are summarised as follows:
- 4.3 **Rental Income:** Rental income is £264k higher than budget. This is mainly due to rent loss in respect of void properties being considerably lower than the budgeted 2%.
- 4.4 **Management Costs:** A number of factors have led to a total underspend of £357k. Many of these can be linked to the restructure during 2014/15 such as underspends on salaries, travel, training and other staffing costs totalling £185k. The recharge from the General Fund for support services was also lower than budgeted. Other areas of underspend include £33k in estates and lettings costs and £30k in the HRA share of the fixed pension deficit recovery lump sum contribution.
- 4.5 An additional budget of £41k which was agreed by members in July 2014 for Administration Support for the Area One Teams was ultimately not needed. Police Innovation funding was secured to support the Area One Teams leaving this budget unallocated.
- 4.6 The new DLO costings system, Open Contractor (OC), has been implemented which will make improvements in the monitoring of finances. Due to the complexities involved in the implementation, there was a significant delay in obtaining up to date budget monitoring information. This unfortunately prevented accurate budget monitoring throughout the year. This also impacted greatly on Responsive and Planned Maintenance. Ongoing improvements in the data available from OC should allow costs to be monitored more closely in future years.
- 4.7 **Planned Maintenance:** The two large planned maintenance contracts which were budgeted to start in 2014/15 have been re-profiled to commence in 2015/16. The budgets for the three year Electrical Testing contract, and the five year Pre-Planned Maintenance (PPM) contract have been put in an earmarked reserve to fund the works at a later date. The DLO have been carrying out PPM (external decoration) throughout the year, whilst the procurement exercise is underway.
- 4.8 **Responsive Maintenance:** General Maintenance and spend on void properties were overspent by £100k and £76k respectively. Spend on other responsive maintenance was £346k lower than budget giving an overall underspend of £170k. This is a considerably better position than had been previously forecast. An

overspend forecast in Q2 and Q3 led to management action to control spending where possible without amending the lettable standard.

- 4.9 **Provision for Bad Debt:** Provision for bad debt has been increased in the HRA Business Plan to allow for the expected increased risk to rent income collection due to Welfare Reform. However as welfare reform has not yet been fully implemented, with Universal Credit having only been partially rolled out in Taunton Deane and not being introduced until April 2015, this additional budget was not required in full in 2014/15, leading to an underspend of £138k.

5 Housing Revenue Account Reserves

HRA Unearmarked Reserves

- 5.1 The following table summarises the movement in the HRA Reserve balance in 2014/15:

Table 2: HRA Reserve

	£'000
Balance brought forward 1 April 2014	3,059
Supplementary Estimates and Returns:	
Community Development Fund (Approved July 2014)	-500
Administration Support (Approved July 2014)	-41
JMASS Restructure Costs (Approved July 2014)	-347
Accommodation Project (Approved August 2014)	-40
Return of Unused JMASS Restructure Costs (Approved July 2014)	84
Net Budgeted Reserves Balance	2,215
Net Underspend (Overspend) for the Year	1,269
Balance carried forward 31 March 2015	3,484
Recommended allocations utilising 2014/15 underspend (see 14 below)	-649
Projected Balance if recommended allocations are approved	2,835

- 5.2 As the table shows, the HRA Reserve balance has increased from £3.059m at the start of the year to £3.484m at 31 March 2015 (approx. £598 per property). This balance is significantly above the recommended minimum amount of approx. £1.8m (approx. £300 per property) stated within the Council's Budget Strategy and the HRA Business Plan.

HRA Earmarked Reserves

- 5.3 The Council can also set aside HRA funds for specific purposes to be used in future years. **Appendix C** provides a summary of the HRA earmarked reserves and the movements during the year. The balance at 31 March 2015 committed to support spending in future years is £2.222m.
- 5.4 The HRA earmarked reserves include balance includes the Social Housing Development Fund. The opening balance on this reserve was £404k which was then supplemented by a £503k allocation from the HRA budget (including income of £3k from the sale of land). £795k has been used during 2014/15 to fund the Social Housing Development capital programme, leaving a balance of £112k at the end of the year.
- 5.5 Also included is £1.174m for the Electrical Testing and Pre Planned Maintenance

contracts which have been pushed back by a year as reported in 4.7 above. This is due to delays in procurement which is now on track to be delivered in 2015/16.

- 5.6 The Community Development Fund was agreed as a supplementary estimate of £500k by members in July 2014. Although this fund has been largely committed, only £75k was actually paid out in 2014/15 and so the remainder of £425k is in a reserve and is likely to be fully used in 2015/16.

6 Recommendations for use of the 2014/15 HRA Underspend

- 6.1 The 2014/15 underspend has allowed the HRA Reserve to remain at a level comfortably above the recommended minimum balance.
- 6.2 It is recommended that funds are allocated from the 2014/15 underspend for the following:

Table 3: Summary of Recommendations for use of the HRA Underspend

Description	£000
HRA Business Plan review	150
Pre-void and Tenant Property Inspections	160
Lettings Contingency Budget	100
Sheltered Housing Review Project Manager	60
Mental Health Support	41
Employment Support Three Year Programme	138
TOTAL requested for approval	649

Business Plan Review of £150k

- 6.3 With the introduction of HRA Self Financing in 2012, the Council's Housing Service has been operating in accordance with a 30 year Business Plan. Much has been achieved in this time, whilst there is a range of further areas in the service to address. Since the Business Plan was first created much has changed in the external operating environment for the service at both national and local levels. This environment has a profound impact on the financial aspects of the Business Plan but also may impact on longer term priorities and aspirations. In addition, the service has matured and learnt from operating in a self-financed environment and has also learnt much from evolving new services such as new build and area working.
- 6.4 In this time we have undertaken three annual reviews of the business plan and made necessary financial and policy adjustments accordingly. However the time is now appropriate through 2015 to undertake a more fundamental review of the business plan, to refresh our direction of travel to ensure we fully maximise the opportunities that self-financing affords us but equally managing the risks of a complex business and a dynamic operating environment and manage the impact of emerging Government policies eg Right to Buy. Consequently we are seeking to secure the sum of £150K to support this work over the coming months via internal project management and some external support and challenge.
- 6.5 The tasks required for the business plan review include:-
- Refresh and review the baseline financial position, including a health check

of the stock investment data.

- Undertake sensitivity and stress testing of the business plan to support the modelling of future decision making in areas such as rent policy, major works programme, housing development pipeline and regeneration projects, changes in Government policy and demographic changes ahead.
- Review Business Plan priorities and objectives and undertake a new consultation exercise to shape these and inform decision making.
- Update the Business Plan document, financial modelling and debt profiling, and progress through decision making.
- Arising out of the above, follow on work required will include the development of a new Asset Management Plan to set a refreshed course based on the performance of our existing stock, to consider the potential impact of the new Right to Buy proposals, and a Development Strategy arising out of us now being a successful house builder; a plan that will provide the future direction for new build volumes set against the regeneration of our non-traditional stock.

Pre-void and Tenant Property Inspections for Two Years of £160k

- 6.6 An increasing prevalence of major damage and neglect in properties from a minority of tenants is impacting the voids budget, leaving less money for meeting the Lettable Standard for new tenants. This budget is to fund an officer to inspect properties where we believe that neglect and damage is happening. This will send out a strong and visible message to tenants to comply with their tenancy agreement in looking after their property. We also intend to fund an officer to undertake pre-void inspections to allow issues to be identified early in the void process, to give the opportunity for tenants to make good their property and allow us to better recharge for damage. This will also allow us to better advertise the property for example where it has been adapted, reducing the likelihood of expensive adaptations being removed for subsequent tenants. The funding will cover these posts for two years allowing a proper evaluation of this preventative approach and to evaluate whether the posts pay for themselves in reduced voids costs.

Lettings Contingency Budget for Two Years of £100k

- 6.7 With pressure on the voids budget we have needed to apply the Lettable Standard more stringently with little scope to spend above and beyond this. In practise the Voids Manager is sometimes aware of additional works needed to let the property (e.g. for hard-to-let properties), or needed for the circumstances of the tenant (e.g. a large family may require more kitchen cupboards). The proposed budget of £50k p.a. for two years represents an additional 3% on the voids budget of £1.6m and allows discretion when needed to ensure the property is let quickly and the critical needs of a tenant are met.

Sheltered Housing Review Project Management to October 2016 of £60k

- 6.8 We need to undertake a fundamental review of our Supported Housing provision

in light of Supporting People grant funding and current re-commissioning of Extra Care contracts by SCC, to encompass both the physical environments and the service offer. This work will seek to establish a sustainable model of Sheltered Housing provision provided in accommodation that is appropriate for current standards and bring forward fundamental decisions regarding the current Extra Care facilities and services provided by the Council.

Mental Health Support of £41k

- 6.9 The three Area Community Managers and One Team Co-ordinators are reporting mental health as an issue within many of our households. 56% of our tenants have a member of their household whose day-to-day activities are limited due to a health problem and we know that Mental Health will be a significant proportion of this. This has been escalated and is one of the three strategic priorities for the One Teams in Taunton Deane. The £41k would be used to bring in support for our tenants and therefore help us to provide a better One Team response to support them in addressing a range of issues that they may have.

Employment Support Three Year Programme of £138k

- 6.10 In 2014/15 we set aside £138k as a contingency in case Universal Credit and other Welfare Reform measures would affect tenants' ability to pay their rent. We know that Universal Credit will be ramped up over the next three years and works on the basis that people are better off in work. We propose to use this £138k over three years to provide support to tenants to have the skills and confidence to access work. In the long term this will help protect our rental income. This proposed approach is common-place across many Registered Providers and seen as sensible both in terms of supporting tenants and protecting income.
- 6.11 While the HRA Reserve balance will remain above the minimum recommended balance a number of issues that will impact the financial position of the HRA are already known and will be included within the HRA Business Plan Review. An example of this is the current low inflation rates. Over 90% of the income received by the HRA is directly linked to inflation rates and therefore the ongoing low rates will greatly impact on the income levels within the HRA. Further recommendations for the reserve will therefore develop from the review of the ongoing risks, priorities and commitments of the HRA.

7 HRA Capital Programme

- 7.1 The HRA approved Capital Programme at the end of 2014/15 was £24,908.4m. This relates to schemes which will be completed over the next five years. The Council is supporting this investment through the use of Capital Receipts, Revenue Funding and Borrowing. The profiled budget on Capital Programmes during 2014/15 was £19.697m, as summarised in Table 4 below, with £9,583k being carried forward and a net underspend of £245k being reported.
- 7.2 The major areas of capital spend during the year related to the capital maintenance for the existing housing stock and the development and acquisition of new stock.
- 7.3 **Appendix D** provides a breakdown of the HRA Capital Programme Outturn by scheme, and also sets out by scheme the proposed Carry Forward.

Table 4: HRA Capital Programme 2013/14 Outturn Summary

	£'000	%
Approved Capital Programme Budget	24,908	
Profiled in later years	(5,211)	
2014/15 Capital Budget	19,697	
Re-profiled forecast of spending Carried Forward to 2015/16	(9,583)	38%
Residual budget for 2014/15	10,114	
2014/15 actual capital expenditure	9,869	
Underspend	245	1%

7.4 The capital programme can be split into two distinct areas:

Major Works:

7.5 Capital works on existing dwellings have increased significantly since the introduction of self-financing. The planned works include replacement of kitchens, bathrooms, heating systems, roofs, doors, windows, adaptations, and Air Source Heat Pumps. A full breakdown is shown in Appendix D.

7.6 The major works capital expenditure has been fully funded from the Major Repairs Reserve. The Major Repairs Reserve is credited with the Major Repairs Allowance, which is charged to the HRA Revenue Budget based on the cost of depreciation to provide funding for capital maintenance of the stock.

Development:

7.7 Self-financing has also allowed investment in HRA stock by building new dwellings and acquiring stock through buying back properties that had previously been sold under Right to Buy. Total spend on the development of additional dwellings in 2014/15 is £4.720m bringing the total since self-financing to £6.806m. A further investment of £9.531m is budgeted in future years, largely related to the Creechbarrow Road, Weavers Arms and final stages of the three Phase One sites.

7.8 Seven dwellings which had previously been sold under Right to Buy were re-acquired on the open market at a total cost of £672k and put into the housing stock to rent. Each one had an individual business case to ensure value is added to the 30 year HRA Business Plan.

7.9 The HRA Development Programme expenditure of £4.720m has been funded from a combination of capital receipts (including Right to Buy receipts), the Social Housing Development Fund and borrowing as agreed for each scheme.

Right to Buy Sales and 'One for One' Replacement

7.10 In June 2012 the Council signed up to the Agreement to participate in the Government's 'one for one' Right to Buy (RTB) replacement scheme. This means that the Council can keep a significant proportion of capital receipts from RTB sales, provided the funding is used towards the replacement of affordable housing (either within the HRA, or through General Fund supported affordable housing schemes).

7.11 During 2014/15 there were 35 RTB sales completed (47 in 2013/14, 37 in 2012/13, 11 in 2011/12), with total capital receipts of £2.317m, giving an average receipt of

£66k. The following table summarises how the receipts have been distributed.

Table 5: 2014/15 Right to Buy Capital Receipts Distribution

	£'000
Total Capital Receipts from 35 RTB Sales	2,317
Less: Pooling – Payment to HM Treasury	(339)
Subtotal – Retained by Taunton Deane	1,978
Allocation to General Fund Housing Capital Programme (Enabling)	(147)
Set aside for repayment of Self Financing Debt for sold properties	(710)
Allowable transaction costs	(46)
Retained Element for 'One for One' scheme	1,075
Transfer to HRA Capital Receipts Reserve	1,075

7.12 The 'one for one' Agreement means that the retained element of RTB income must be used to fund investment in new social/affordable housing within three years of receipt, and must not exceed 30% of total investment. In other words, every £3 of RTB funding used must be matched by £7 from other sources. Therefore £1.075m RTB retained receipts must be used towards total capital expenditure of £3.582m for new social/affordable housing schemes by March 2018.

7.13 The total amount of additional receipts retained since April 2012 is £3.595m. Of this sum, £2.695m has already been allocated towards funding new affordable housing in the development capital programme and the remaining is on track to be fully utilised within the timescales with a combination of buy backs and new build development schemes.

8 Legal Comments

8.1 None for the purpose of this report.

9 Links to Corporate Aims

9.1 The financial performance of the Council underpins the delivery of corporate priorities and therefore all Corporate Aims.

10 Environmental and Community Safety Implications

10.1 None for the purpose of this report.

11 Equalities Impact

11.1 None for the purpose of this report.

12 Risk Management

12.1 Financial controls are operated throughout the year to manage financial risks, which are subject to review through internal and external audit, as well as through reporting to the Corporate Governance Committee

13 Partnership Implications

13.1 None for the purpose of this report.

14 Recommendations

- 14.1 Tenant Services Management Board reviews the HRA's financial performance and end of year position.
- 14.2 Tenant Services Management Board recommend the following:
- (a) A Housing Revenue Account Capital Programme Budget Carry Forward totalling £9.583m (as set out in Appendix D).
 - (b) A £649,000 Supplementary Budget allocations for the HRA, utilising 2014/15 underspends, for the following areas:
 - i. £150k to fund a full review of the HRA Business Plan in 2015/16.
 - ii. £160k to fund Pre-Void and Tenant Inspections in 2015/16 and 2016/17, with any balance across financial years held in an earmarked reserve.
 - iii. £100k to fund a Lettings Contingency Budget in 2015/16 and 2016/17, with any balance across financial years held in an earmarked reserve.
 - iv. £60k to fund a Sheltered Housing Project Management to October 2016.
 - v. £41k to fund Mental Health Support for tenants.
 - vi. £138k to fund Employment and Skills Development in 2015/16, 2016/17 and 2017/18, with any balance across financial years held in an earmarked reserve.

Appendices

- A. Housing Revenue Account Outturn Summary
- B. Housing Revenue Account Outturn Variances
- C. Housing Revenue Account Earmarked Reserves Summary
- D. Housing Revenue Account Capital Programme Outturn Summary

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APPENDIX A

HOUSING REVENUE ACCOUNT OUTTURN

	Original Budget £'000	Final Budget £'000	Actual £'000	Variance £'000
Income				
Dwelling Rents	(24,279)	(24,300)	(24,545)	(245)
Non Dwelling Rents	(557)	(557)	(576)	(19)
Charges for Services/Facilities (Service Charges, Rechargeable Repairs, Leaseholder Charges)	(913)	(913)	(1,099)	(186)
Contributions Towards Expenditure	(460)	(460)	(474)	(14)
Total Income	(26,209)	(26,230)	(26,694)	(464)
Expenditure				
Repairs and Maintenance	7,151	5,977	5,781	(196)
Supervision & Management	6,761	7,061	6,658	(403)
Capital Charges – Depreciation and Impairment	6,709	6,709	6,700	(9)
Debt Management Expenses	8	8	0	(8)
Provision for Bad Debt	225	225	87	(138)
Total Expenditure	20,854	19,980	19,226	(754)
Other Costs & Income				
CDC Costs	202	202	256	54
Interest Payable	2,831	2,763	2,778	15
Interest and Investment Income	(53)	(78)	(79)	(1)
Revenue Contribution to Capital	1,041	1,836	1,846	10
Provision for Repayment of Debt	511	511	511	0
Social Housing Development Fund	500	500	500	0
Procurement Savings	323	252	123	(129)
Transfers To/(From) Earmarked & Other Reserves	0	264	264	0
Total Other Costs & Income	5,355	6,250	6,199	(51)
NET (SUPLUS)/DEFICIT FOR THE YEAR	0	0	(1,269)	(1,269)

APPENDIX B

HOUSING REVENUE ACCOUNT OUTTURN VARIANCES

No.	Service / Heading	Explanation	Forecast Variance		Outturn	
			Q2 £'000	Q3 £'000	Q4 £'000	Total £'000
1	Dwelling Rents	Rent loss due to void properties is lower than the budgeted 2%	(289)	(27)	71	(245)
2	Non-Dwelling Rents	Rental income on garages was higher than budgeted	(31)	10	2	(19)
3	Other Income	In line with dwelling rents, additional service charges have been received due to lower void loss. In addition charges to leaseholders have been higher than expected. This is counteracted by additional expenditure below.	(76)	(32)	(92)	(200)
4	Management	A number of factors have led to lower than budgeted spend in management costs. Salaries, training and travel costs have been lower than budgeted, as have the recharges from the General Fund for support services. These will have all been impacted by the restructure which has been ongoing through the year but will settle down now the new structure has now been fully implemented. The £41k budget for administration support for the Area One Teams has not been needed due to the award of Police Innovation funding.	(38)	(35)	(284)	(357)
5	Maintenance	Management action put in place to reduce the forecasted overspends in General Maintenance and spend on Void properties was successful, reducing these collective overspends to £174k. Cost of Responsive Heating maintenance was £289k lower than budget. This is largely due to a reduction in replacements of heating systems (early failures not included within the capital programme).	(279)	709	(626)	(196)
6	Provision for Bad Debt	The increased provision for bad debt, as included in the Business Plan, has not yet been fully needed. In previous quarters it was assumed that this would be put in a reserve until needed however the future need for this will now be included within the next Business Plan Review.	0	0	(138)	(138)
7	Interest Payable / Receivable	Changes throughout the year on the interest payable on existing borrowing and the investment income received have led to a small variance	0	(4)	18	14

No.	Service / Heading	Explanation	Forecast Variance		Outturn	
			Q2 £'000	Q3 £'000	Q4 £'000	Total £'000
8	Capital Financing and Debt Repayment		0	0	1	1
9	Transfers to the General Fund	Provision made for procurement savings were not fully needed in 2014/15	0	0	(129)	(129)
	GRAND TOTALS	Note: A number of virements and reserve transfers requested throughout the year have caused swings between service headings between quarters	(713)	621	(1,177)	(1,269)

APPENDIX C

HOUSING REVENUE ACCOUNT EARMARKED RESERVES

Reserve Heading	Balance 1 April £'000	Transfers In £'000	Transfers Out £'000	Balance 31 March £'000
Capital Financing Reserve - HRA Projects	79			79
CCR DLO Transformation (HRA resources)	44		(38)	6
Customer Access and Accommodation	36	19		55
Halcon Regeneration Scheme Project Costs	24			24
Social Housing Development Fund	404	503	(795)	112
Community Development Fund		425		425
Electrical Testing Contract		700		700
Planned External Maintenance Contract		474		474
HRA Insurance		86		86
Other Reserves	27	234		261
GRAND TOTAL	614	2,441	(833)	2,222

APPENDIX D

HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME OUTTURN




Scheme Heading	Total Approved Budget £'000	Budget in 2014/15 £'000	Outturn £'000	Variance £'000	Slippage from 2014/15 Budget £'000	Total Budget in Future Years* £'000
HRA Kitchens	1,043	540	322	(218)	218	721
HRA Bathrooms	1,260	1,260	967	(293)	293	293
HRA Roofing	490	490	519	29		
HRA Windows	220	220	124	(96)	96	96
HRA Heating Imps	1,135	595	461	(134)	134	674
HRA Doors	550	550	379	(171)	171	171
HRA Fire Safety Work	255	255	86	(169)	169	169
HRA Fascias and Soffits	1,000	650	591	(59)	59	409
HRA Heat Pumps	800	800	786	(14)	14	14
HRA Door Entry Systems	208	143	171	28		65
HRA Meeting Halls	25	25	4	(21)		
HRA Asbestos Works	259	259	228	(31)		
HRA Tenants Imps	5	5		(5)		
Other Ext Insulation	5	5		(5)		
Garages	40	40	32	(8)		
Sewerage Treatment	1	1		(1)		
HRA Unadopted Areas	20	20	3	(17)		
HRA Lifts	125	125	119	(6)		
Sustainable Energy Fund	455	455	9	(446)	446	446
Environmental Improvements	301	301	39	(262)	262	262
HRA Community Alarms	83	83	17	(66)	66	66
Extentions	160					160
HRA Aids and Adaptations	119	119	95	(24)		
HRA DFGs	346	346	162	(184)		
Total Major Works	8,905	7,287	5,114	(2,173)	1,928	3,546
HRA PV Systems	1,509	1,509		(1,509)	1,509	1,509
HRA IT Development	242	45	35	(10)	10	207
Total Other	1,751	1,554	35	(1,519)	1,519	1,716
HRA Creechbarrow Road	6,916	3,521	2,054	(1,467)	1,467	4,862
HRA Vale View	1,000	1,000	747	(253)	253	253
HRA Bacon Drive	1,020	1,020	470	(550)	550	550
HRA Normandy Drive	982	982	616	(366)	366	366
HRA Weavers Arms	3,500	3,500	161	(3,339)	3,339	3,339
HRA Buybacks	833	833	672	(161)	161	161
Total Development	14,251	10,856	4,720	(6,136)	6,136	9,531
GRAND TOTAL	24,907	19,697	9,869	(9,828)	9,583	14,793

*This doesn't include any additional budgets approved as part of budget setting for 2015/16.

Summary for TSMB 23rd June 2015

Housing and Communities Quarter 4 / Outturn performance

Overview & Summary

Section	No. of measures	 Green	 Amber	 Red	N/A	Trend (reported from Q3)
1) Managing Finances Housing	9	67% (6)	33% (3)	0% (0)	0% (0)	↑
2) Service Delivery – Satisfaction	11	36% (4)	45% (5)	9.5% (1)	9.5% (1)	↓
3) Service Delivery – Decent Homes	2	0% (0)	0% (0)	100% (2)	0% (0)	↔
4) Service Delivery – Manage Housing Stock	18	44% (8)	11% (2)	28% (5)	17% (3)	↑
TOTALS	40	45% (18)	25% (10)	20% (8)	10% (4)	

Movement To be reported from Q3	0 Measures	+1	0	0	-1
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8 RED ISSUES

Planned actions are off course.

- **Local Authority Major Aids and Adaptions Satisfaction** – percentage satisfied with major aids and adaptions down to 90% from 100% but this represents one case which reduced the average by 6%.
- **2 Measures for Decent Homes are off course.** Average SAP (energy efficiency) rating is below target. **Dwellings with a valid gas safety certificate** – 99.95% - 2 properties were not serviced (now resolved, one due to tenant being in safe house the other due to gas meter being disked).
- **Housing Services Diversity Information.** We hold 63.59% of diversity information. We have sent new surveys to tenants and continue to make efforts to collect this data.
- **3 Repairs and Maintenance measures are off course.** The COSY replacement went live at the beginning of September, and there have been a number problems that have resulted in inconsistent results on various reports. We have agreed one reporting format for both client and contractor and will use this to scrutinise future performance.
- **Local Authority Major Aids and Adaptions** – 40 applications have been completed and 55 allocated to officers (target 58).
- **Average Re-let Times** – 24.63 days against a target of 21 days (this has improved since last quarter). Performance is above the target set and Officers are meeting to discuss options to improve performance to meet or better the target figure.

10 AMBER ALERTS 😞

Some uncertainty in meeting planned actions

- **Aids and Adaptations (2 measures)** – budgets have underspent.
- **Estate Management Team** – Current tenant arrears at the end of March were above target but issues with cash payments from SAP during the closedown period contributed to this (on 31.3.15 arrears figures were below target).
- **Housing Services – 4 Satisfaction measures** below target, survey due to be refreshed July/Aug 2015.
- **Lettings Team – 2 measures** % of dwelling that are vacant and available to let is slightly above target at 0.55% and there has been a reduction in the % of tenants satisfied with the allocations and lettings process (Officers to investigate).
- **Local Authority Major Aids and Adoptions.** End to end completion time, because of exceptions the figure was 42 weeks (against 22 week target), excluding the exceptions this figure is 16 weeks.

18 ON TRACK 😊

Planned actions are on course

- **Managing Finances** – 6 measures are on target.
- **Satisfaction** – 4 measures are on target.
- **Housing Stock** – 8 measures are on target.

4 MEASURES UNDER DEVELOPMENT, NOT REPORTED OR WITHOUT ALERTS

- **% of tenants satisfied with the Extra Care Housing service** – a survey has not currently been completed
- **3 Repairs and Maintenance measures** – under development.

Housing and Communities Scorecard Q4 2014/15

Housing HRA

Ref	OBJECTIVES	MEASURES	ALERT				ISSUES (current and future) and IMPACTS
			Q1	Q2	Q3	Q4	
MANAGING FINANCES							
MF1	Budgets – Expenditure - To achieve a balanced budget by the financial year end in HRA - Compliance with TSA financial viability standards	1. Housing Revenue Account Overall expenditure against budget					£1.269m underspent (4.8% of overall budget). Lower costs due to restructure costs, DLO costs, procurement savings, provision for bad debt.
		2. Local Authority Major Aids and Adaptions Amount spent to date, target £315,000.					Outturn £162,200 does not include all DLO recharges and refurbishment works by the Property Services teams.
		3. Minor Aids and Adaptions Amount spent to date, target £120,000					Outturn £94,800 next year budget has been adjusted to £100,000.
MF2	Budgets – Income To maximise income opportunities and collection	1. Income Team Former tenant arrears as a % of rent due Target = 5%					Q1 – 0.45% Q2 – 0.50% Q3 – 0.55% Q4 - 0.31%
		2. Income Team Rent written off as a % of rent due Target = 0.70%					Q1 – 0.78% Q2 – 0.89% Q3 – 0.87% Q4 - 0.54%
		3. Income Team % of rent lost through dwellings being vacant Target = 2%					Q1 – 0.78% Q2 – 0.89% Q3 – 0.87% Q4 - 0.87%

		<p>4. Estate Management Team Rent arrears owed by current tenants as at end of quarter. Target = £360,000 <i>Corporate Indicator</i></p>					<p>Q1 £392,876.34 Q2 £366,766.18 at end week 26. Q3 £440,411.12 at end week 39 Q4 £412,303.38 Current tenant arrears reported at 03/04/15 = £385,679. Although, the reported figure at 03/04/15 is 7% off target, the actual year-end performance is nonetheless good when set against the gross income of £24.5m to be collected within the year and with the added pressures of Welfare Reform.</p>
		<p>5. Estate Management Team Rent collected as a % of rent due excluding arrears b/f Target = 98.3%</p>					<p>Q1 – 103.9% Q2 – 101.5% Q3 – 99.3% Q4 - 99.3%</p>
MF3	HRA Debt	<p>Housing Debt Total amount of housing debt across all categories, houses, shops, land, etc.</p>					Overall debt position lower than the last quarter reported in Jan 2015 and April 2014. (£8086.93 lower than last year and £46,694.85 less than last quarter).
Service Delivery		Excellent services – Customer driven – A dynamic organisation – Local focus					
SD1	<p>General – Customer Satisfaction To deliver customer-focussed services, achieving high levels of customer satisfaction</p>	<p>1a. Housing Services General needs tenants' satisfaction with landlord services overall Target = Top quartile performance status survey <i>Result from 2013 STAR Survey</i></p>					<p>Data will be the same until 2015 Actual – 86% Target – 88%</p>
		<p>1b. Housing Services Sheltered housing tenants' satisfaction with landlord services overall Target = Top quartile performance status survey <i>Result from 2013 STAR Survey</i></p>					<p>Data will be the same until 2015 Actual – 88% Target – 95%</p>

		2a. Housing Services % of general needs tenants satisfied that their views are taken into account Target = Top quartile performance status survey <i>Result from 2013 STAR Survey</i>					Data will be the same until 2015 Actual – 65% Target – 73%
		2b. Housing Services % of sheltered housing tenants satisfied that their views are taken into account and acted upon Target = Top quartile performance status survey <i>Result from 2013 STAR Survey</i>					Data will be the same until 2015 Actual – 71%
		3. Lettings Team % of tenants who have reported anti-social behaviour in the past 12 months, rating the help and advice given as excellent or good Target = 66%					Q1 – 93% Q2 – 92.3% Q3 – 95% Q4 - 98%
		4. Lettings Team % of new tenants satisfied with the allocations and letting process Target = 86%					Q1 - 94% Q2 - 97% Q3 - 98.7% Q4 - 83% cumulative 93% Officers to investigate reason for downturn.
		5. Lettings Team % of new tenants satisfied with the lettable standard of property Target = 86%					Q1 - 94% Q2 - 97% Q3 - 97.3% Q4 - 93%
		6. Repairs & Maintenance % of tenants satisfied with the most recent repair Target = 98%					Q1 - 98% Q2 - 98% Q3 - 98% Q4 - 98%

		7. Supported Housing % of tenants satisfied with the Extra Care Housing service Target = 86%					Data not currently collected
		8. Satisfaction of Gas Servicing % of tenants satisfied with the Gas Service procedure Target = 90% <i>Annual Housemark Measure</i>					Q1 - 98.5% Q2 - 99% Q3 - 99.98% Q4 - 100%
		9. Local Authority Major Aids and Adaptions % satisfaction, target 95%.					Q1 not reported Q2 - 90% Q3 - 100% Q4 - 90%. One case brought the average down by 6%.
SD2	Decent Homes - To comply with Government Standards - To improve energy efficiency of housing stock	1. Asset Management Average SAP (energy efficiency) rating of housing stock Target = 70 <i>Annual Housemark Indicator</i>					67.08 The SAP Software is not available to undertake the SAP ratings and update the above score. Sustainable energy projects including installing External Wall Insulation to 40 Cornish units and PV's to 350 units are underway.
		2. Asset Management % of dwellings with a valid gas safety certificate Target = 100%					Q1 - 100% Q2 - 99.98% Q3 - 99.89% Q4 - 99.95% 2 properties not completed out of 4437 not serviced at the end of Q4, now serviced. One tenant in safe house the other due to gas meter being disked.
SD3	Housing Stock To manage the housing stock and maintenance service to meet the needs of the tenants	1. Lettings Team % of closed ASB cases that were resolved Target = 66%					Q1 - 88.24% Q2 - 96.67% Q3 - 95.08% Q4 - 97.62%

		2. Lettings Team Average re-let time (calendar days) Target = 21 days					Q1 – 21.54 Q2 – 19.76 Q3 – 26.25 Q4 – 24.63 Performance is above the target set and Officers are meeting to discuss options to improve performance to meet or better the target figure. SWAP audit starts w/c 8.6.15
		3. Lettings Team % of dwellings that are vacant but unavailable to let (this includes dwellings undergoing or awaiting major works, held for decant, illegally occupied or awaiting demolition) Target = 0.5%					Q1 – 0.7% Q2 – 0.6% Q3 – 0.7% Q4 - 0.55%
		4. Lettings Team % of dwellings that are vacant and available to let Target = 0.5%					Q1 – 0% Q2 – 0.01% Q3 – 0 Q4 – 0.01%
		5. Repairs & Maintenance % of properties re-let that meet lettable standard (20% sample) Target = 100%					Under development
		6. Lettings Team % of properties accepted on first offer Target = 75%					Q1 – 69.98% Q2 – 75.8% Q3 – 77.5% Q4 – 80%
		7. Housing Services % of tenants on whom the landlord holds diversity information Target = 90%					Q1 – 69.98% Q2 - 59.84% Q3 – 60.48% Q4 - 63.59% We have sent new surveys to tenants and continue to make efforts to collect this data. Q4 2012-3 we reported 53% Q4 2013/4 58%

							inconsistent results on various reports. We have agreed one reporting format for both client and contractor and will use this to scrutinise future performance.
		12. Repairs & Maintenance Completion of repairs within priority target times: Non Urgent (up to 28 days) Target =85%					Q1 – 81% Q2 – 83% Q3 – 83.71% Q4 - 91.37% The COSY replacement went live at the beginning of September, and there have been a number of problems that have resulted in inconsistent results on various reports. We have agreed one reporting format for both client and contractor and will use this to scrutinise future performance.
		13. Community Clean ups Number of events held, broken down by area 14. Tonnage removed From clean ups, broken down by event 15. Events supported Number of events/activities put on or supported by the team, broken down by area					<ul style="list-style-type: none"> • We continue the service of community clean up days. • Health & Well-being Family Event, Rockwell Green Primary School on 1st April • Dream Scheme Consultation at Priory Mounds on 19th February • Dream Scheme Litter Pick at Priory Mounds on 9th April • North Taunton Events – for North Taunton Partnership, Somerset Community Foundation/Academy, North Taunton One Team
		16. Local Authority Major Aids and Adaptions Number of applications completed, target 58.					40 applications completed to the end of March 2015 of which 14 applications were approved in Q4. In total 55 cases were allocated to officers during the financial year and

							<p>as at the end of the financial year there were 5 cases on the Waiting List to be allocated in April. The majority of the works have been for wet rooms and stair lifts. It was previously reported in Q3 that Q4 would be 50; 4 cases were cancelled due to tenants passing away or moving and 6 cases cancelled due to high financial contributions by the tenants or the works not being practicable. The process that the OT uses with tenants has improved which should prevent this happening in future.</p>
		<p>17. Local Authority Major Aids and Adaptions End to end completion time, target 22 weeks.</p>					<p>Q1 – 26 weeks Q2 – 27 weeks Q3 - 31 weeks. Q4 - Average including the exceptions that have taken over 22 weeks was 42 weeks. The average excluding exceptions was 16 weeks for the year. Exceptions occur when things are out of the control of the SWPSHP e.g. tenant is taken into hospital during the process.</p>
		<p>18. Minor Aids and Adaptions Number of applications completed. Target 350</p>					<p>Q1 – 71 applications Q2 – 142 applications Q3 - 211 applications Q4 -302 cases approved to the end of Quarter 4. There are 50 cases waiting for advice from the DLO to confirm that the jobs have been completed. With those added the year-end is predicted to be 352.</p>

Tenant Services Management Board – 23rd June 2015

Information Request

The Tenant Services Management Board has previously requested information relating to tenant rent arrears performance.

For your information I attach the following:

1. Tenant rent arrears performance data as at the 30th March 2015, the end of the financial year 2014/2015. The data shows details of the actual amount of tenant rent arrears across our 9 rounds.

Note 1:

Round	Estates officer	Area
1	Lucy Hawkins	Halcon Area Team.
2	Joanne Littleford/ Karen Parsons	Halcon Area Team.
3	Richard Howard	Halcon Area Team.
4	Ian Handley	Wellington Area Team
5	Kerry Norman	Wellington Area Team
6	Nicola Williams	Wellington Area Team
7	Allie Mayor	North Taunton Area Team
8	Michelle Garcia	North Taunton Area Team
9	Helen Perrott	North Taunton Area Team

Note 2:

The data shows the overall 'office target' as £360,000 for 2014/15 with the actual amount outstanding at the 30th March 2015 as £356,244. However, the overall 'aspirational target' for all rounds was £329,000.

TENANT ARREARS AS AT 30th MARCH 2015

Round	Actual Arrears
1	£64,353
2	£47,864
3	£28,273
4	£30,483
5	£28,984
6	£34,603
7	£40,292
8	£47,055
9	£34,339
ALL ROUNDS – ACTUAL ARREARS	£356,244
ALL ROUNDS – TARGET	£360,000

Stephen Boland
Housing Services Lead
June 2015

Tenant Services Management Board – 23rd June 2015

Responsive Repairs Performance

Report of Phil Webb – Property Services Manager

(This matter is the responsibility of Executive Councillor Terry Beale)

Executive Summary

This report identifies the responsive repairs performance data of Property Services contractors, including the DLO, that deliver responsive maintenance work for the HRA.

1. Purpose of the report

Following TSMB concerns from the responsive repairs report 20th April 2015, a review of our contractors' performance and our data gathering methodology has taken place in conjunction with the DLO Building Services Manager. This report aims to explain our new procedures and display our contractors' performance so far this year.

2. Background information

The DLO and Property Services have previously both been using different reporting methodologies. The Housing Service had been using the standard Housemark Performance criteria for assessment with data extracted from our Academy System, whilst our DLO had been taking results directly from their new Open Contractor management system. This is also because historically the DLO as a Council service had to report corporately, whereas Housing reporting included the DLO performance along with other external contractors.

From now and into the future one reporting methodology has been jointly developed to be used by both DLO and Housing Services (data source will be Open Contractor (OC) because all job tickets even for external contractors go from Academy to OC). A report frequency has been agreed at one month with quarterly reports to TSMB. Weekly reviews of performance will take place between the DLO and Property Services staff.

Reporting Methodology for Jobs Completed on Time

At the TSMB report 20th April 2015, the DLO reported job figures to TSMB. These figures ended by showing February 2015 performance all on target.

Reasons for difference in DLO figures and Housing figures:-

- Different source (one report from Academy one from OC) as described above. We have reviewed the situation and agreed a consistent methodology for the reporting performance for both Housing and the DLO, so we are now confident in the figures.
- Cumulative score versus monthly, with cumulative any non completed jobs from the month before are carried over, non cumulative reporting is likely to be better because you essentially start with a clean slate each month.
- Data only considering date (not time). Previously, reports used solely the date field to monitor completion times of repairs. Reporting from April is, and will continue to be, even more accurate because date and time will be taken into account when looking at completion performance. All completed jobs are now analysed against the system target time as well as date; those that are within date and time are successful and those that are not within date and time are unsuccessful. This is critical especially on the higher priority jobs where time of day the job is raised will give a more accurate picture against the priority time and be more challenging for the contractor, using calendar date only to complete the job gives more time to complete the job but does not strictly comply with the priority time.

3. Performance

Please refer to appendix A. A summary of all contractors' performance is shown again below but members will need to refer to the appendix A for breakdowns of an individual contractor's performance.

Priority	Jobs Completed on time April 15	Jobs Completed on time May 15
P1 Target 98%	83%	88%
P2 Target 94%	82%	87%
P3/P4 (P3/4 combined target 85%)	88%	90%

The report shows that whilst we are hitting our P3/P4 priorities (work completed within 28 days target) we still need to work with the majority of our contractors (one in particular) to identify precisely how to improve emergency (P1) and urgent (P2) three day repairs performance where the most effort is required to improve. Although low percentage performance may appear on the face of it to be an indicator of where to concentrate our efforts it is likely that we shall initially deal with higher risks areas where less than suitable performance might possibly have health or safety implications.

Reasons for problems in Job Completions

We are still experiencing high numbers of internal failures within the new computer system which result in temporary stopping of job tickets going to contractors. This delays contractors receiving job tickets and starts to erode their completion time. In one incident during the last month there were almost 3 days of tickets held in the system. We have procedures for calling through emergency repairs but 3 day repairs will still be held in the system. It is virtually impossible to go back through hundreds of tickets and adjust completion times, so our only alternative is to rely on contractors flagging to us where they require completion target dates to be extended. Due to the volume of jobs and other pressures of workload there are occasions sometimes completing the job is prioritised and the statistic failure is not addressed. In this example the job may well have been completed by the contractor within three days of them receiving the ticket but the job would already be out of date from the time it was actually raised in the system.

The OC system is still not completely automated thus requiring manual input. One of the original problems of the old system still therefore exists in that a certain amount of jobs still have to be completed manually. If the actual work within the job were to be completed on time there is a need to ensure that the relevant paperwork follows swiftly to ensure a timely completion. Manual handling of what should be automated exacerbates the workload situation and can lead to tardiness in paperwork completion.

DLO Action Plan

On the 20th April 2015 Paul Grant, Building Services Manager, reported a number of actions to TSMB. TSMB asked for precise timescales against these actions, detailed below:

1. We have logged calls with Capita and Xmbrace to help resolve the text messaging issue and have switched off the function temporarily.
The system was tested and we believe it now to be working correctly. (Timescale – Resolved)

2. We are reviewing procedures for linked trades' jobs such that Job Planners keep all job elements together.
We have now discussed multi-faceted jobs with Housing colleagues and agreed that separate jobs would be raised for each trade with the Planners scheduling in as appropriate. (Timescale – Resolved)
3. The issue of VPN connection reliability for hand-held devices is being looked at through an existing request.
We are awaiting our I.T. colleagues' proposal for another connection option. Having had discussions with PDA users this afternoon, this appears to be the biggest cause of lost time, inconvenience, the need for additional work-arounds and loss of confidence in the PDA/Total Mobile system. (Timescale – tbc with I.T.)
4. There is a call logged with Capita to progress the transfer of PDA users' notes.
Cost estimate has been received from Capita – decision required whether to progress. (Timescale – End August)
5. New 'Insight' reports will be produced using a new reporting tool so that there is accurate management information available to Works Managers.
New insight reports are being generated by Housing Business Support. There are no other people within Building Services currently with adequate Insight knowledge to be able to set up further reports. (Timescale – ongoing)
6. A review of the Schedule of Rates is underway with a view to re-importing this data into all system component parts. This will improve consistency of information and increase the number of jobs that can be appointed immediately.
The separate SOR tables have been produced and require uploading as part of system changes/improvements. (Timescale – tbc with Capita)

Chris Hall, Assistant Director for Operational Delivery is undertaking a review of Organisational Challenges to incorporate ICT issues within the DLO.

In summary actions for improvement:

- Report using one methodology monthly and examine performance with all contractors
- Meet weekly with DLO to establish early trends in performance and identify improvements
- Establish regular performance meetings with other contractors (Property Services currently meet with Alhco monthly)
- Discuss performance with other contractors to identify improvements
- Assistant Director led review of Organisational Challenges to incorporate ICT issues.

4. Financial implications

None specific to this report.

5. Legal Comments

There are no legal implications of this report.

6. Links to Corporate Aims

This work has a positive effect on Corporate Aim 1 – Quality and sustainable growth and development.

7. Diversity

Some people may need specific help to fully access this information.

Additionally, information may be required in different formats:

- Large font
- Audio visual
- Different languages
- Website page
- Welcome pack for new tenants

8. Recommendations

The Tenant Services Management Board is asked to note the contents of this report and that similar suitable and relevant information will be provided with future quarterly score card information.

9. Contact Officer

Phil Webb, Property Services Manager on 01823 356505 ext 2146

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Appendix A

Job Completion Statistics for April and May 2015

Priority	Jobs Completed on time April 15	Jobs Completed on time May 15
P1 Emergency Jobs 24 hours Target 98%	83%	88%
P2 Urgent Jobs 3 Days Target 94%	82%	87%
P3/P4 Non Urgent Jobs 28 days Target 85%	88%	90%

Priority	DLO Jobs Completed on time April 15	DLO Jobs Completed on time May 15	Fixit Jobs Completed on time April 15	Fixit Jobs Completed on time May 15	Alhco Jobs Completed on time April 15	Alhco Jobs Completed on time May 15	Home Aerials Jobs Completed on time April 15	Home Aerials Jobs Completed on time May 15
P1 Emergency Jobs 24 hours Target 98%	81%	91%	72%	80%	86%	83%	100%	No jobs
P2 Urgent Jobs 3 Days Target 94%	84%	95%	78%	100%	83%	75%	100%	No jobs
P3/P4 Non Urgent Jobs 28 days Target 85%	94%	95%	81%	84%	79%	76%	100%	No jobs