Report to the Council

Committee: Cabinet Date: 14 December 2010

Subject: Housing Item: 7(e)

Portfolio Holder: Councillor David Stallan

Recommending:

That the report of the Housing Portfolio Holder be noted.

Proposed withdrawal of funding by Essex County Council for Caring and Repairing in Epping Forest (CARE)

At the last Council meeting, I reported that Essex County Council would shortly be recontracting for the provision of home improvements agencies (HIAs) across Essex, although this would not include this Council's HIA (Caring and Repairing in Epping Forest – CARE), since it is provided in-house.

CARE provides practical support and advice to disabled and older home owners to apply for grants and to undertake improvements and repairs to their homes, including disabled adaptations. The service includes a full project management / surveying service, including the preparation of tenders and supervision of works. Without the service many disabled homeowners would not seek and receive disabled facilities grants to which they are entitled.

However, on 5 November 2010, the Director of Housing received a letter out of the blue from the Head of Supporting People at Essex County Council informing him that "in view of financial pressures and uncertainties in the current environment" the County Council intends to cease the £46,000 per annum funding that CARE receives from Essex CC, since the County Council "are not convinced that committing ECC funds…is the best use of resource at this time."

All councils in Essex were given just 2 weeks to respond with their views, which our officers did on the Council's behalf.

The County Council's funding of £46,000 represents one third of CARE's funding. If this funding is ceased, it is a real possibility that the CARE Service may have to close, along with many (if not all) throughout Essex, unless the District Council is able to increase its own funding from the current £52,500 per annum.

It has been pointed out to the County Council that the average cost, nationally, to keep an older person in residential care is around £30,000 per annum, often funded by County Councils, and that the work of CARE assists in keeping a number of older people out of residential care.

CLG Consultation Paper "Local Decisions – A Fairer Future for Social Housing"

The CLG has issued this important Consultation Paper, and has invited responses by 17 January 2011. The Consultation Paper sets out the Government's proposals to reform social housing by: introducing a new, more flexible, local authority affordable rent tenancy with a minimum fixed term of two years; reforming the social housing allocations system; introducing a nationwide social home swap programme; enabling local authorities to fully discharge homelessness duties into the private rented sector; addressing overcrowding; focusing social housing regulation on economic regulation with a stronger role for local tenants; and replacing the HRA with a self-financing arrangement.

Accordingly, a Special Meeting of the Housing Scrutiny Panel has been arranged for 6pm on Tuesday 11 January 2011 in the Council Chamber, at which the Director of Housing will give a presentation on the main issues (along with other national housing policy announcements) and the Scrutiny Panel will discuss and agree the Council's response to the Consultation Paper.

In view of the wide-ranging issues that the presentation will cover, all Members of Council are invited to the Special Meeting.

Appointment of Repairs Management Contractor

An important part of the Council's Housing Repairs Refresh Programme is the appointment of a private repairs contractor to manage the Council's Housing Repairs Service and staff, whilst the staff and managers remain employed by the Council. This is a very innovative approach, and is considered to be a low risk, high benefit approach, especially in the light of large contractors (e.g. Connaught and Rok) recently going into administration.

In view of this unique approach, the Specification and Invitation to Tender for the contract have had to be drafted from scratch, which has taken some time. However, the Invitation to Tenders were issued to the shortlisted contractors in November, and due back by 17 January 2011.

The contract is due to commence in May 2011. The contract period is initially for three years with an option to extend for two further three-year periods. An innovative approach has also been taken to the proposed pricing structure for the contract, which is in three main parts:

- (a) Management Fee An annual amount to run the Repairs Service;
- **(b) Completion of the following specific projects** ("Key Deliverables"), for which the contractor will receive a one-off sum (which they will state in their tender):
 - Improved supply chain for materials and sub-contractors taking advantage of the contractor's existing bulk-buying power;
 - Implementation of an more efficient IT System to better track repairs, materials, costs etc;
 - Implementation of mobile working for tradesmen enabling works orders to be "beamed" to tradesmen's hand held computers, saving time and money;
 - Implementation of an appointment system for all repairs enabling all tenants to have repairs undertaken on a morning/afternoon of their choice; and

- Development of a new pricing arrangement for rechargeable repairs, based on the true cost of repairs
- **(c) Incentivisation Payments** The Contractor will be paid a "bonus" for each quarter in which it meets **all** the set targets for response repair and void repair times, and tenant satisfaction. In each case, with the exception of tenant satisfaction targets which are already very high at 98%, the targets are significantly more challenging than present, including 98% of emergency, urgent and routine repairs to be undertaken within 4 hours, 3 days and 2 weeks respectively, instead of 95% within 24 hours, 5 days and 6 weeks respectively.

The cost of the Repairs Management Contractor will be funded from the savings already being achieved from the increased use contractors appointed under Framework Agreements, enabling the reduced use of direct labour and ad-hoc sub contractors.

I would like to thank all the members of the Repairs Advisory Group, which includes the Finance Portfolio Holder and the Chairman and Vice-Chairman of the Housing Scrutiny Panel, for overseeing the implementation of the project.

Discontinuation of the Choice Based Lettings Freesheet

Under the Council's Choice Based Lettings Scheme, homeseekers can express an interest in available properties which are advertised on the Homeoption website every fortnight. In addition to the website, properties are also currently advertised in a glossy, full colour Freesheet, which is available at 17 pick-up points. These include all Council offices, Information Desks, Leisure Centres and five other locations - including libraries and newsagents in rural areas.

As around 92% of all expressions of interest in available properties are made via the website, the Freesheets are rarely used and around 80% of all Freesheets have to be destroyed each fortnight. The Freesheets cost the Council around £18,000 per annum.

The Council is a member of the Herts and Essex Housing Options Consortium, which jointly operates the choice based lettings scheme. In view of the cost and the low usage, from early in the New Year, the Consortium has agreed to discontinue the printing and issuing of the Freesheet at local outlets. However, officers will print off copies of all vacancies from the website and make black and white copies available at Council Offices and Information Desks.

All homeseekers who do not currently express interests in vacant properties via the website will be notified of the change.

Information@Work

On 25 November 2010, with the assistance of the ICT Service, the Housing Directorate introduced the corporate Information@Work electronic records and document management system throughout the Directorate. From this date, all post to and from tenants, housing applicants, leaseholders and private occupiers has been scanned and processed electronically, with no paper copies being retained in manual files. Not only will this improve the efficiency and management of dealing with customers' correspondence and reduce the amount of filing storage required, it will also enable Housing staff to deal with customers' and members' enquiries from their desktop, without the need to track down the relevant file.