

# Housing Revenue Account Business Plan 2011 - 2012



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Epping Forest  
District Council

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**Copies of this Business Plan are available in Large print.**

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# Plain English Summary

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## 1. Introduction

This is a Plain English Summary of the eleventh Housing Revenue Account Business Plan that we have produced. It is provided, as a “stand-alone” document to all the Council’s Housing staff, on an annual basis. This is to ensure that they are aware of the main points of the Business Plan, how well the Council’s Housing Service is performing and what our main objectives and priorities are for the coming year. It is also useful for members of our Tenants and Leaseholders Federation, and all of our tenants, to read for the same reason.

In very simple terms, the Housing Revenue Account (HRA) is the “bank account” that we keep to record income and expenditure on our Council homes. It is different from the “bank account” that we keep to record our income and expenditure on other Council services, which is called the General Fund. There are strict rules that say councils cannot pass money between the two accounts.

The main Business Plan provides a helpful “Glossary of Terms” as an appendix, which explains all of the technical words that we refer to. Another appendix gives a “Key Contact List”, to enable readers to speak to someone to get more information about specific issues referred to in the Business Plan.

In the Business Plan, we:

- cover all of the important issues relating to the way we manage and maintain the Council’s homes;
- set out our aims and objectives for the housing service that we provide, and explain our priorities;
- explain the current position and our performance as landlord in previous years;
- estimate the money that we need over the next 30 years to manage our tenants’ homes and ensure that they are properly maintained; and
- compare how much money we need with the amount that will probably be available.

The Government requires all councils to produce HRA Business Plans – but we find it very useful to have a Business Plan anyway, because we think it’s important to plan for the future.

We have talked to the Tenants and Leaseholders Federation about the Business Plan, who have confirmed their support for the objectives and proposals

## 2. Who makes the decisions ?

We have a “Cabinet” of senior elected councillors who make most of the Council’s important decisions. They are guided by the “Housing Portfolio Holder”, who is a member of the Cabinet with special responsibility for housing matters. He/she makes most of the policy decisions on housing.

Council officers are professional people who advise councillors on housing matters, carry out their decisions, and manage the Council on their behalf. The most senior officer is the Chief Executive. The Director of Housing is responsible for managing and maintaining the Council’s homes. The Director of Finance/ICT is responsible for managing the Council’s finances.

## 3. Our housing objectives

We have five main objectives for housing. Each one has a number of more detailed objectives, that are explained in the main Business Plan. The main ones can be summarised as follows:

- Manage our homes efficiently and effectively;
- Provide a high quality housing service, having due regard to the cost of providing the service.
- Ensure that all our tenants live in a decent home, and that we properly maintain our homes;
- Help tenants and leaseholders get involved with decisions about their housing. Provide them with clear information, and consult them on things that affect them;
- Manage the Council’s money effectively and efficiently.

#### **4. About the Council's housing**

In April 2010, we owned around 6,500 homes, excluding our Homeless Persons Hostel and some other homes not counted. Some interesting information about these is given below:

- Around 2,170 are in Loughton, and about 1,600 are in Waltham Abbey. Around 430 Council homes are in “sheltered housing”, receiving a support service and having an alarm system;
- Around 6,155 Council homes have been sold since 1977, most under the Right to Buy. We have around 935 flats and maisonettes that have been leased, again, mainly under the Right to Buy. We still have certain responsibilities for these homes, including certain repairs and housing services, which the leaseholders pay for; and
- In April 2010, we had 78 empty homes, 4% more than the previous year

In 2007, we completely changed how we allocate Council homes, by giving housing applicants much more choice about which home is let to them, using an approach called “choice based lettings”. We work with our five neighbouring councils and the housing associations that work in our area to operate the scheme jointly. This reduces the costs of the scheme.

We have a computer system that covers all of the main housing services. This gives a lot of information to housing managers, to help them monitor how our housing services are being provided and see where there are problems that need to be dealt with. Many housing services can now be obtained from our housing website, including reporting repairs and paying rent. In 2010, we commenced the introduction of an electronic records and document management system in our Housing Directorate. This means that all of our housing files are being computerised, so that our staff can easily look at files, and receive and respond to post, electronically from their desks.

#### **5. Our Achievements Last Year**

In 2010/11, our key housing achievements as a landlord were:

- Following a detailed external assessment, the whole of our Housing Directorate was awarded the Cabinet Office's Customer Service Excellence Award. This new award replaces the Government's Charter Mark, which our Housing Directorate had retained for the previous 6 years
- Very good progress continued to be made with our Repairs Refresh Programme, to further improve our Housing Repairs Service. This includes the appointment of a private Repairs Management Contractor to manage our Housing Repairs Service and staff from May 2011
- We implemented a re-structure of our Housing Repairs Service, to provide a more streamlined, customer-focussed and co-ordinated approach
- Following consultation with all of our tenants, we published a “Local Offer”. This sets out what tenants can expect from the Council, including our Housing Charter, our Housing Service Standards and a Tenant-Agreed Action Plan
- Our Careline Service became accredited with the Telecare Services Association. This confirms that our Careline clients receive a safe and high standard service.
- We had the highest level of tenant satisfaction amongst all the social landlords (including housing associations) within the District, whilst charging the lowest average rents

#### **6. Involving tenants and leaseholders**

We have worked hard to enable tenants to become involved with decisions about their housing, and things that affect them, if they want to. We have a Tenant Participation Officer, who has set up a number of tenants associations around the District – there are currently 5 recognised tenants associations, but more are being developed. We have written “Tenant Participation Agreements” with these tenants associations, that explain the help we will give them. It also explains how we will consult the tenants in their areas about housing issues that affect them.

We have also set up a Leaseholders Association that represents all of the Council's leaseholders, a Sheltered Housing Forum comprising representatives from the Council's sheltered housing schemes, and a Rural Tenants Forum to represent the views of tenants in the villages of the District. They all meet regularly with Council officers.

A district-wide Tenants and Leaseholders Federation has been formed, that has a committee to which two representatives from each of the tenants associations, the Leaseholders Association, the Sheltered Housing Forum and the Rural Tenants Forum are invited. The Federation meets every six weeks with the Housing Portfolio Holder and senior housing officers. The Federation is asked their views on possible changes to housing policies and procedures, and tells us what they think about the housing service. We also have a Tenant Participation Agreement with the Federation.

## 7. Ensuring all tenants live in a “decent home”

Probably the most important part of the HRA Business Plan, is the Repairs and Maintenance Business Plan. This is one of the appendices and includes a detailed section that explains how we will ensure that all our tenants continue to live in a “decent home”.

The Government has set a “Decent Home Standard”. They say that tenants' homes are decent if they:

- meet the *legal* standard of condition; **and**
- are in reasonable condition. This means that it must not have:
  - Ø any important parts of the building in an old or poor condition
  - or*
  - Ø two or more other parts of the building that are old and need to be replaced or repaired; **and**
- have reasonably modern facilities. This means that the home must not lack more than two things you would expect to see in a modern home (e.g. modern kitchens and bathrooms); **and**
- keep people warm enough. This means it must have effective insulation and heating.

The Government set all councils and housing associations a target. That was to make sure that all of our homes were decent by December 2010. We achieved this target 9 months early, in April 2010. Many other councils have still not yet met the Decent Home Standard

We will plan and ensure that we never have any non-decent homes. We will do this by improving and repairing properties before they become non-decent.

## 8. Supporting People

In April 2003, the Government introduced a new “supporting people” budget. This brought together all the money that was previously spent by councils, housing associations and others on “supported housing” into one “pot” covering the whole county. Supported housing is where the tenants need help - for example, sheltered housing for the elderly or housing for physically disabled people.

Previously, most of the costs of this help was included within individual tenants' rents. However, from April 2003, tenants living in supported housing have had to pay a separate charge for this help. Tenants receiving housing benefit do not have to pay anything, and there are safeguards to make sure that tenants in supported housing before March 2003 do not pay any more for the help they get than they did previously.

Due to Government cuts in the funding it provides to councils, Essex County Council (which looks after the Supporting People Budget) has said that it will reduce the amount of funding it provides to councils and housing associations for supported housing. This will reduce by around a third from April 2011 – around £10 million each year. As part of this, Essex CC is reducing the amount it gives to councils in Essex to run their sheltered housing. All the other council landlords in Essex will have their funding for sheltered housing cut from 40%-60% from April 2011. However, because we have run our sheltered housing service efficiently over the years, our cut will only be 6% - just £14,000 each year.

We provide our own Careline Service to almost 2,500 older people throughout the District. Many of these are not Council tenants, and own their own homes. Careline provides a 24-hour speech alarm monitoring service to deal with any emergencies. We also provide a “Telecare” Service. This uses technology to

monitor older people in a number of ways. For example, it can detect if an older person has not moved in their home for a long time, or if they have fallen over.

## **9. Working with other organisations**

We work with many other organisations to properly manage and maintain our homes and provide housing services to our tenants. These include the Essex Social Care, Essex Police, health organisations and the Citizens Advice Bureau.

## **10. People needing housing**

In early 2010, we completed a "Strategic Housing Market Assessment (SHMA)", which helped us assess how many new homes are required in the District, including affordable homes

The SHMA found that:

- The population of our District rose by 8.5% between 2001 and 2006
- Around 7,100 households in Epping Forest are considered to be unsuitably housed
- There are around 1,300 households in housing need in Epping Forest
- There will be a projected shortfall of 5,700 affordable homes in Epping Forest between 2007 and 2021

Around 135 new affordable homes on 8 development sites were built by housing associations this year (2010/11). A further 195 affordable homes have planning permission, and are expected to be built within the next 2 years. In addition to this, developers are currently thinking about building almost 200 more affordable homes on 4 sites in the District. However, it is unlikely that all of these will receive planning permission.

There were just over 5,000 applicants on the Council's Housing Register in March 2010. This was an increase of around 415 households over the previous year.

Last year (2009/10), we let 535 Council properties to housing applicants. This was 14 more than the previous year. A further 116 applicants were housed by housing associations. This was a lot more than the previous year.

## **11. Providing a Quality Housing Service**

We do a number of things to make sure that we provide a high quality housing service. This has been recognised in a number of ways:

- The whole of our Housing Directorate has been awarded with the Government's Customer Service Excellence Award. This is a national award that confirms that we provide an excellent service to our customers. It is judged by an independent assessor. This replaces the Government's Charter Mark Award, which we held for the previous 6 years.
- The whole of our Housing Directorate has been awarded the ISO 9001:2008 "quality assurance accreditation". This confirms that we provide a consistently high quality housing service. This is also judged by an independent assessor
- The whole Council has the Investors in People award. This confirms that our staff know what our plans are, and that we help our staff to improve themselves.

## **12. Tenant satisfaction**

In the past, we have carried out a very detailed Tenant Satisfaction Survey every 2 years. However, the Government has said that landlords no longer have to carry out Tenant Satisfaction Surveys. Despite this, because we think they're useful, we intend to still carry them out. We will undertake another on next year (2011/12).

We last undertook our Satisfaction Survey in 2008. This was to find out what tenants think about the housing service we provide. It was done by an independent market research company. A good response was received, with over half of all tenants surveyed responding. We found that:



- 84% of tenants are generally satisfied with the overall housing service provided by the Council - this compares with 85% two years earlier (although the latest survey had to exclude sheltered housing tenants, who historically have high levels of satisfaction).
- 86% of tenants are satisfied with the repairs and maintenance service (12% higher than similar councils surveyed). The Council ranked a strong first in its group of similar councils, for all 6 aspects of the repairs and maintenance service measured.
- 12% more of the Council's tenants said that it was easy to get hold of the right person to discuss a housing issue, compared to the group of similar councils.
- 75% of the Council's tenants were satisfied with the final outcome of their contact with the Housing Directorate - 10% higher than the rest of the group of similar councils.
- 62% of tenants were satisfied that their views are being taken into account by the Council as their landlord - an improvement of 14% since 2006 .

The consultants undertaking the survey concluded that overall tenant satisfaction with the landlord service provided by the Council remains high - and significantly above that reported by most other landlords. The high level of tenant satisfaction with Councils' repairs service and the customer service provided by its staff underpins the unusually high level of overall satisfaction amongst the Council's tenants.

### **13. Providing Value for Money and comparing the Council with other landlords**

"Value for Money" looks at an organisation's performance and costs, compared with similar organisations. In simple terms, high performance and low costs usually suggest that an organisation gives good value for money. Low performance and high costs usually suggest that poor value for money is being given.

We regularly compare our performance and costs with other organisations, in a number of ways. The most useful way is through a "benchmarking" club, called HouseMark.

Usually, HouseMark produces a Benchmarking Report for us each year on how well we compare with other councils throughout England. However, we have not received our report this year in time for our Business Plan. However, our last Benchmarking Report from HouseMark (in February 2010), compared us with 37 other councils. These were all councils that still have their own housing stock. This Report told us that, for 4 out of 5 important areas of housing, our costs are amongst the 25% of councils with the lowest costs. It also told us that, for 6 out of 9 important areas of housing, our performance was amongst the 25% of councils with the best performance.

Over the a 4-year period, between 2004/5-2007/8, our Housing Service saved around £1.15 million by working even more efficiently.

For the current 3-year period, between 2009/10 – 2011/12, we expect to make further efficiency savings of over 3 million.

### **14. Equality and Diversity**

We know that we live in a diverse community and want to ensure that we provide services that do not discriminate against groups of people. As well as generally promoting equality in the way we provide our services, the Council has a number of corporate policies relating to race, disability and gender equalities.

We have two particular strategies to ensure diversity and equality in the way we provide the housing service, and to deal with harassment in housing. We have also looked in detail at our policies relating to specific housing services, and produced "Equality Impact Assessments" for each housing service.

In 2009, we carried out a survey of all our tenants. Amongst other things, we asked them a number of questions to find out how diverse and different the people who live in our homes are. We asked them questions about their ethnic group, disabilities, gender (sex) and if English is their main language. We now have useful information, which is included in the main HRA Business Plan.

We comply with the Human Rights Commission's Racial Equality Code of Practice in Rented Housing and have an Equal Opportunities Statement in the Provision of Housing Services.

## 15. Setting tenants' rents

The Government has told all councils that the rents they charge for their homes should be almost the same as the same types of homes owned by housing associations, in the same area by a certain date. However, the Government keeps changing this "target date". They have also said that everyone's rent should be calculated in a similar way. They should mainly be based on:

- the property's value;
- average local wages; and
- the number of bedrooms.

We started calculating rents in this new way from April 2003. At that time, we produced a "target rent" for each property. This could have been higher or lower than the previous rent. The actual rents that tenants pay have been increased, or decreased, up to this target rent since 2003.

## 16. Considering other options for Council housing

In the past, different Governments have said that councils must carefully consider the options open to them to select the most appropriate ownership and management of their homes. This is in order to get the most money to maintain them.

This could include transferring council homes to a housing association (called "large scale voluntary transfer" - LSVT), or it could involve councils setting up their own company to manage and maintain their homes (called an "arms length management organisation") - some councils that do this can get extra money from the Government. Either of these options would need to be agreed by the majority of tenants. Or, it may be that it is best for the Council to keep its homes.

In 2002, we appointed consultants to look into this for us. This is called a "housing stock options appraisal". We asked them to do four things:

- Look at the available options;
- Work out how much could be spent on managing and maintaining tenants' homes for each option;
- Talk to the Tenants and Leaseholders Federation and our tenants to get their views on the options; Send information to all of our tenants and leaseholders about the options, and ask them to fill in a survey form telling us what they think.

The consultants completed their work in 2004. They told us that, bearing in mind tenants' views, the best option for the Council was to keep the housing stock and not to transfer it to a housing association, or set up an arms length management organisation. The Council's Cabinet agreed with this view, and decided that the Council should keep its housing stock for the time being. Nothing has changed since that time to suggest that the Council should follow a different course of action.

However, we have transferred two sheltered housing schemes (Robert Daniels Court, Theydon Bois and Wickfields, Chigwell) to a housing association. This is because both schemes were in need of major improvements, and we worked out that the overall cost to the Council would be less if the housing associations carried out the improvements.

## 17. Risk Management

Risk management is the process of looking at risks to an organisation, and working out what bad things could happen as a result of doing things in a certain way. It also considers how likely these bad things are to occur and, if they do, what the effects would be.

The Council takes risk management very seriously. We have a group of officers that meets regularly to assess and record risks. This record is called the Risk Register. The Housing Directorate has its own Risk Register. We have identified many risks in our Risk Register. This includes 10 **Key** Housing Risks, which are the most serious. For each of these we have considered, firstly, how likely the risk is to happen and, secondly, if it does, the impact that it will have.

We have looked more carefully at those risks that are more likely and/or will have a higher impact. We have drawn up an action plan to reduce these risks as much as possible.

We also have a "Housing Business Continuity Plan" which explains what we would do if something serious happened to the Housing Service. For example, if the Civic Offices or housing offices were badly damaged, or if we lost a lot of staff, perhaps through serious sickness levels.

We also have a Housing Emergency Plan, which explains what we would do in either a routine or major emergency. For example, if lots of people lost their homes and needed somewhere to stay temporarily.

## **18. The overall financial picture**

The Government has said that it will completely change the way that Council housing is funded. For many years, we have had to operate a Housing Subsidy System. This is a very old fashioned and unfair system, which is why the Government is changing it.

In simple terms, under the Housing Subsidy System, the Government considers each year how much money it thinks each council needs to spend on its housing service over the next year. It then calculates how much money it thinks each council will receive from rents. If the Government thinks that a council will not receive enough money from its rents to run its housing service, it pays the council a subsidy. However, if the Government thinks that a council will receive more money from rents than it needs, which the Government thinks is the case for our Council, it will take money away from the Council. This is called "negative subsidy". Next year, we will pay the Government £11.3 million in negative subsidy from tenants' rents.

The Government has said that, from April 2012, it will introduce a new funding system called "self-financing". Under this system, the Government has considered how much financial support it thinks each council needs to run its housing service over the next 30 years; this is the difference between the cost of running the housing service and the expected income from rents.

It has then compared this to how much housing debt each council has. Housing debts are due to a council borrowing money in the past to fund new Council house-building or major repairs and improvements. The Government has then added together the amount of financial support each council needs to the amount of debt (if any) that each council has. In April 2012, the Government will then pay this amount to those councils it thinks it needs financial help, which will enable them to pay off their housing debt.

However, if the amount of financial support the Government thinks a council needs is less than its housing debt, the council must make a payment to the Government for the difference. These councils will need to take out a loan to fund the payment to the Government, which they will repay over a number of years from tenants' rents.

For our Council, the Government has assessed that we will receive more income from tenants' rents over the next 30 years, than we need to run our housing service. In addition, we do not currently have any housing debt. Therefore, the Government has said that we must pay it around £180 million in April 2012.

However, we have worked out that, under self-financing, our HRA will be much better off than under the current Housing Subsidy System. Furthermore, we have calculated that the debt of £180 million could be repaid within just 17 years. After that, the Council would be able to keep all of the rents it receives to spend on Council services.

As a comparison, if the Housing Subsidy System was to continue, we have worked out that the HRA would be "overdrawn" after 9 years. Since this would be illegal, we would have had to make savings on the amount spent on the housing service.

## **19. Key Action Plan**

The Business Plan has a "Key Action Plan" which explains what we will be doing, and when, over the next year:

- to meet our objectives;
- improve our housing services; and
- to make the changes we have to deal with because of new laws or Government policies.

## **20. Key housing priorities**

Section 3 above says what our housing objectives are. But we can never do everything we want to. So, we have to decide which things are the most important, that will help us the most to meet our housing objectives. These are called our "Key Housing Priorities".

Our "Key Housing Priorities" for the next year (2011/12) are to:

- Continue to manage and maintain our homes effectively and efficiently
- Complete our Repairs Refresh Programme, including the appointment of a private repairs management contractor to deliver our Housing Repairs Service. This includes the improvement of repairs response times, the introduction of a new IT system for repairs and the provision of appointments for tenants for all repairs
- Explore the use of fixed term tenancies for certain types of housing applicants and, if used, agree a clear approach to when they should be used, how long tenancies should be for and the review process
- Subject to the Government changing accounting regulations to make it viable for the Council, undertake feasibility studies for starting a modest new Council House-building Programme
- Introduce an on-line housing application facility, to assist applicants and increase the efficiency of the application process
- Prepare for the introduction of self-financing for the Housing Revenue Account from April 2011  
Financial Plan

# 1. Introduction

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## 1.1 Introduction

This is the eleventh annual Housing Revenue Account (HRA) Business Plan that the Council has produced. It complies with the requirements of the Government's financial framework for the HRA.

This Business Plan has been produced in accordance with both the "Guidance on Business Plans" and the guidance on "Effective Housing Strategies and Plans" issued by the predecessor to the Department for Communities and Local Government in June 2000 and April 2002. The Plan has been developed by a corporate team of officers from Housing and Finance/ICT. The Plan was adopted by the Council's Housing Portfolio Holder after consultation with the Council's Housing Scrutiny Panel and the Epping Forest District Tenants and Leaseholders Federation.

An important part of this Business Plan relates to the Council's objectives, strategies, plans and standards relating to the repair and maintenance of the Council's housing stock, and how the Government's Decent Homes Standard will continue to be met. In view of its importance, as in previous years, the Council has produced a separate Repairs and Maintenance Business Plan, which complements and is an integral part of the HRA Business Plan. The Repairs and Maintenance Business Plan is attached as Appendix 1.

The Government has announced that, with effect from April 2012/13, it will introduce a new system of self financing for the HRA, to replace the discredited Housing Subsidy System. This will involve the Council paying a significant lump sum to the Government, financed from a very large loan. The Government's detailed proposals for self-financing have only recently been received, and even then the proposed self-financing payments for each local authority are only provisional; they will be confirmed around December 2011. The Council will be assessing the detailed effects and implications of self-financing on the Council, and preparing for its implementation, over the forthcoming year. However, this Business Plan includes a completely new Financial Plan, based on the new self-financing system, which is set out in Chapter 11.

It is a requirement of the Council's Audit and Governance Committee that all of the Council's Business Plans are completed and published by 31 March each year - before the start of the following the financial year.

In order to assist readers, a comprehensive Glossary of Terms is provided at Appendix 2. A Key Contact List is given at Appendix 3.

A Plain English Summary has been provided at the beginning of the Business Plan, which is also produced separately as a "stand-alone" document. It is provided to all the Council's Housing staff, on an annual basis, to ensure that they are aware of the main points of the Business Plan, how well the Council's Housing Service is performing and what are the Council's main objectives and priorities for the coming year. It is also useful for the Council's tenants to read, for the same reason.

## 1.2 Fit for Purpose Standard

In May 2003, the Council's HRA Business Plan was assessed as being fully "fit for purpose" by the Government Office for the East of England (GO-East). For the HRA Business Plan to be designated as "fit for purpose", it had to meet stringent "fit for purpose" criteria laid down by the Department of Communities and Local Government (CLG). There were 33 separate criteria against which HRA Business Plans were assessed. Councils had to meet every criterion, in full, to be designated as fit for purpose.

The format of the HRA Business Plan has remained the same since this "fit for purpose" assessment, although the content has been significantly updated over the years.

## 1.3 Links with the Council's Housing Strategy

In October 2009, the Council published its latest *Housing Strategy 2009-2012*, which followed an extensive consultation exercise. The Housing Strategy assesses the overall housing needs of the District, and sets out the Council's objectives and plans for meeting those needs. In addition, the Council also contributes towards the Sub-Regional Housing Strategy of the London Commuter Belt Sub-Region. Since around 14% of the District's properties are currently owned by the Council, the management and maintenance of its stock plays

an important part in meeting the Council's strategic objectives for housing. In particular, there are important overlaps between the two documents in the following areas:

- Provision of affordable housing for rent
- Meeting the Decent Homes Standard and the Decent Homes Targets
- Restructuring and convergence of social housing rents
- Dealing with anti-social behaviour

#### **1.4 Purpose of the Business Plan**

The purpose of this Business Plan is to:

- Set out the Council's overall medium term aims and objectives for the housing service, as landlord
- Analyse the current position
- Plan how to achieve the objectives, through the formulation of an Action Plan
- Provide a framework for monitoring and evaluating progress in delivering the Business Plan

#### **1.5 Development of the Business Plan in 2011**

The Council has consistently developed and updated its Business Plan, since the time the first one was produced in 2001. All the statistics and information within this latest Business Plan referred to as the "last financial year" - and the most up to date information - relates to 2009/10, which is the last year that full year statistics are available.

The development of the Business Plan and the main changes this year include:

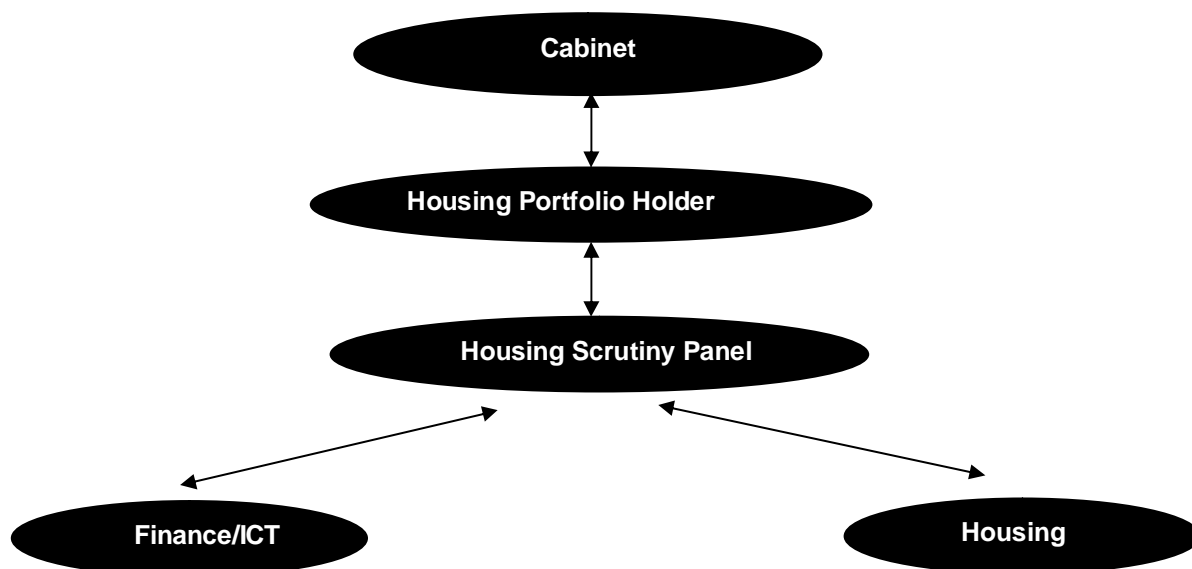
- Updated statistics for 2009/10
- General updated information throughout the Business Plan to ensure that it remains current
- Updated summary of key activities and achievements in 2010/11 (Section 3.5)
- Updated Corporate Medium Term Aims (Section 3.1)
- Updated Key Housing Priorities (Section 3.6)
- Information on the Government's proposals for affordable housing, within the CLG's Consultation Paper on "Local Decisions – a fairer future for social housing" (Section 4.15)
- Information on the effects of Essex County Council's significant reductions in Supporting People funding for local authorities in Essex (Section 4.9)
- Information on the Housing Directorate's Customer Service Excellence Award (Section 5.1)
- Updated information on the amount of value for money efficiencies being secured by the Housing Directorate (Section 6.5)
- Updated Housing Risk Register (Section 10.4)
- Information on the Government's introduction of HRA Self-Financing – to replace the current Housing Subsidy System (Chapter 11)
- Completely updated Financial Plan (based on the new self-financing system and including the effects of the transfer of commercial properties from the HRA to the General Fund – See Section 1.6 below) (Chapter 11)
- New Key Action Plan (Chapter 13)
- An updated Repairs & Maintenance Business Plan (Appendix 1)
- An updated Plain English Summary, incorporating the above changes

#### **1.6 HRA Commercial Properties**

The Council owns a number of freehold commercial properties that, until 31<sup>st</sup> March 2011, will be accounted for within the HRA. However, the Council agreed during 2010/11 that these commercial properties should be accounted for within the Council's General Fund from April 2011. Although the management and maintenance of these commercial properties are included within the Council's Asset Management Plan, which is produced separately, and have never been included within this HRA Business Plan, the transfer has a significant effect on the HRA's Financial Plan, especially in the early years (See Chapter 11).

#### **1.7 Management Structure – Policy and Priority Setting**

The HRA Business Plan is a corporate document, with officers from different services having responsibility for its production and ensuring its delivery. The hierarchy of responsibility can be summarised, as shown on the next page:



<i>Cabinet</i>	Comprises senior councillors. Overall responsible for policy making and setting priorities
<i>Housing Portfolio Holder</i>	Responsible for approving the Business Plan and recommending to the Cabinet policy changes and priorities.
<i>Housing Scrutiny Panel</i>	Responsible for scrutinising and commenting on the draft HRA Business Plan before approval, and for formally monitoring progress with the Key Action Plan on a 6-monthly basis
<i>Housing</i>	Lead directorate for producing the Business Plan and delivering the elements of the Plan relating to HRA residential properties, including the implementation of policy and achieving the Council's agreed priorities
<i>Finance</i>	Responsible for the production of all the Business Plan's financial forecasts

### 1.8 Comments of the Epping Forest Tenants and Leaseholders Federation

Section 4.8 explains the role of the Epping Forest Tenants and Leaseholders Federation. The Federation has been consulted on this latest version of the Business Plan. Having considered the Business Plan, the Federation said:

[ To be considered by the Federation at its meeting on 30<sup>th</sup> March 2011 – Last year's comments were ]:

- Once again, the Business Plan is comprehensive, well thought out, interesting and well written, especially the Plain English Summary, which is easy to read and helps to put the detailed Business Plan in context;
- We agree and support the objectives, the key housing priorities and the action plan;
- We noted that the revised Financial Plan does not identify a deficit on the Housing Revenue Account for 28 years, which is 8 years later than forecast last year and almost results in a fully funded 30-year Financial Plan;
- We are pleased to see that the Council will be meeting the Decent Homes Target this year;
- We welcome the innovative Repairs Refresh Programme, with this customer-focussed approach and the emphasis on improving performance, which has already improved as a result of the Programme;
- We welcome the proposed Strategic Review of Older Peoples Accommodation; and
- We continue to support the Council's intention to re-commence a Council House-building Programme, if the Government changes its accounting regulations - which would make viable, the currently unviable, situation for the Council's General Fund.

## 2. Strategic Context and Linkage to Other Plans

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### 2.1 The Epping Forest District

The Epping Forest District comprises a mix of rural and urban character, covering an area of 131 square miles, with a population of around 120,000. There is no major centre of the District. There are around 12 towns and larger villages, ranging in population size from 2,000 to 30,000. It is an attractive Metropolitan Green Belt area, with good road and rail links to London, so is popular with commuters.

The southern parts of the District border Greater London and are more populous and urbanised, including Loughton, Chigwell, Buckhurst Hill and Waltham Abbey. There was a total of 53,969 dwellings in the District as at April 2010, of which 12% were Council-owned.

### 2.2 Housing Service Planning Matrix

The HRA Business Plan is only one of a range of complementary and inter-related strategic documents and plans produced by the Council. In producing this Business Plan, careful regard has been had to relevant corporate objectives and strategies and housing objectives and strategies. This section of the Business Plan sets out where the Plan sits in relation to other strategies and plans, and how they inter-relate.

The Housing Planning Matrix reproduced on the next page illustrates, in graphical form, how the Council's housing services are planned and delivered.

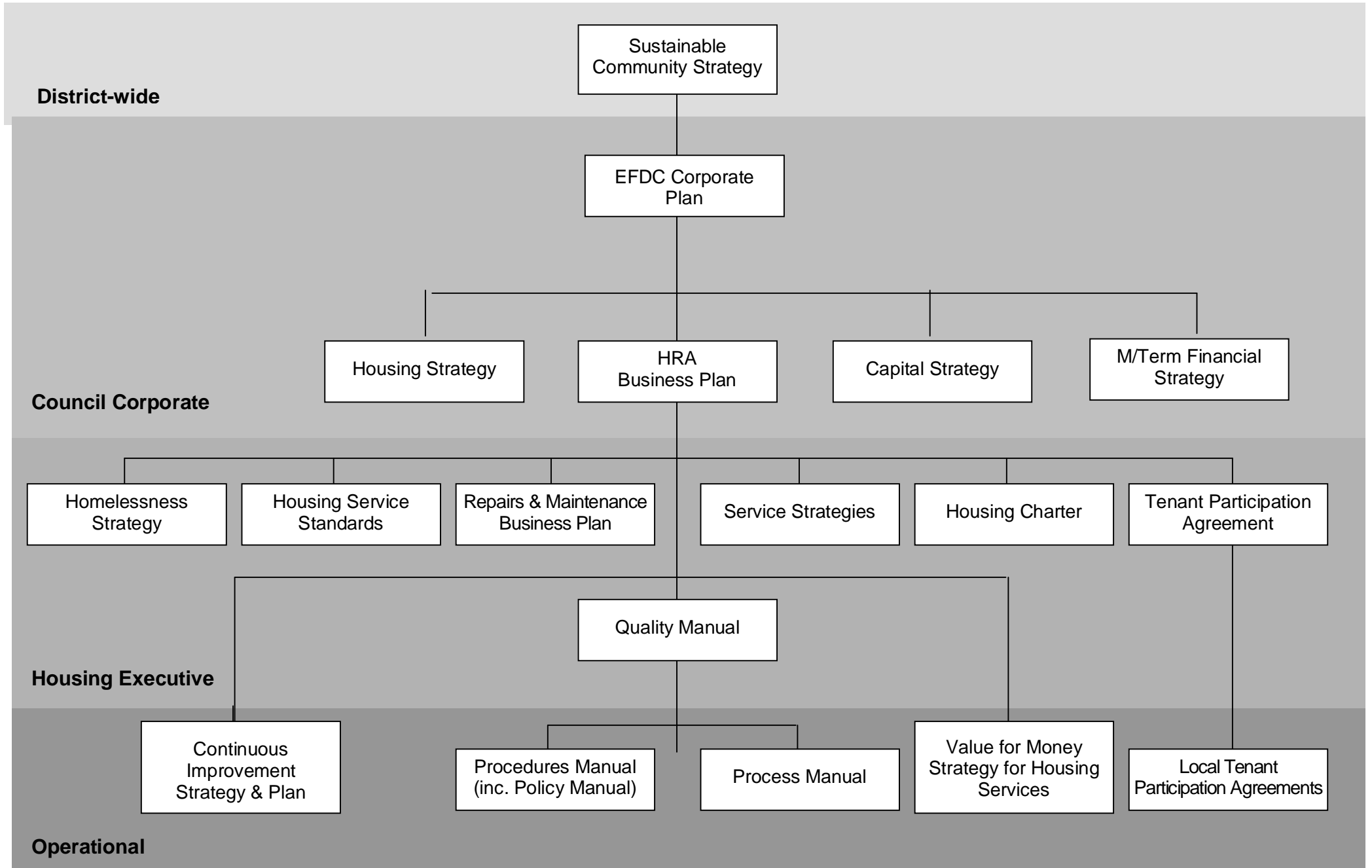
A brief explanation of the main strategies and plans, including a number not shown on the matrix, is set out below.

<b><i>Sustainable Community Strategy</i></b>	The long term vision for the District, produced by One Epping Forest, the Local Strategic Partnership for the District. One Epping Forest comprises all of the statutory agencies working in the District, including the Council, together with representatives of the voluntary sector.
<b><i>Corporate Plan</i></b>	The Council's prime strategic document, that sets out the Council's strategic direction for the planning and delivery of all its services over a four-year period. The Council adopted its latest Corporate Plan in early 2011, which will be effective until April 2015.
<b><i>Housing Strategy</i></b>	See Section 1.3 above.
<b><i>Capital Strategy</i></b>	Provides the Council's strategies on how capital projects will be planned, funded, delivered and monitored, together with details of the Council's HRA and General Fund Capital Programmes. The Strategy is updated annually.
<b><i>Medium Term Financial Strategy</i></b>	Sets out the approach the Council intends to take in relation to revenue and capital expenditure, income and fees and charges, for both the HRA and the General Fund.
<b><i>Homelessness Strategy</i></b>	The Council's statutory strategy, last updated in 2009, which reviews the Council's approach to homelessness, and sets out the Council's plans for dealing with homelessness.
<b><i>Housing Service Standards</i></b>	A set of housing standards that clients of the Housing Directorate can expect in relation to the delivery of their housing service.
<b><i>Housing Service Strategies</i></b>	A series of separate documents, produced to a common format, that set out how individual housing services and strategies are delivered in detail (eg. rent arrears, tenant participation, empty properties). They provide detailed objectives, policies, targets, performance information and financial/staffing resource availability.
<b><i>Housing Charter</i></b>	Sets out the principles by which housing services will be delivered from the clients' point of view and what clients can expect.



# Housing Directorate

## Service Planning Matrix



**Tenant Participation Agreement** An agreement (compact) between the Council (as landlord) and the Epping Forest District Tenants and Leaseholders Federation (on behalf of the Council's tenants and leaseholders), first signed in March 2000 and updated in 2002, 2006 and, most recently, January 2009 for a three year period. It sets out the approach the Council and the Federation will take to ensure that tenants and leaseholders are able to participate in the delivery of their housing services, receive good quality information and are consulted on housing issues. The Council has also entered into six Local Tenant Participation Agreements with individual recognised tenants associations on how tenant participation will be delivered locally (see Section 4.8).

**Tenant Participation Impact Statement** An annual statement explaining the activity, outcomes and impact in relation to tenant participation and empowerment in the previous year. The first Impact Statement was produced in 2010, and a further one will be produced in 2011, covering period 2010/11.

**Local Offer** A statement to all tenants, in accordance with the Tenant Services Authority's Housing Regulatory Framework, setting out what they can expect from the Council in the following year. Following consultation with the Tenants and Leaseholders Federation and all tenants (through *Housing News*), the Council will be publishing its *Local Offer* before 31<sup>st</sup> March 2011, which will comprise the following three elements, agreed by tenants:

- Housing Service Standards
- Housing Charter
- Tenant-Agreed Action Plan

### **2.3 Capital Strategy 2011/15 - Housing as a Corporate Priority for Investment**

The Council's Capital Strategy 2011/15, last updated in February 2011, sets out the Council's eight key strategic priorities for capital investment, in a ranked priority order. Since its introduction, "Improving the Council's housing stock" has been ranked as one of the two highest key strategic priorities for investment.

## **3. Business Plan Objectives**

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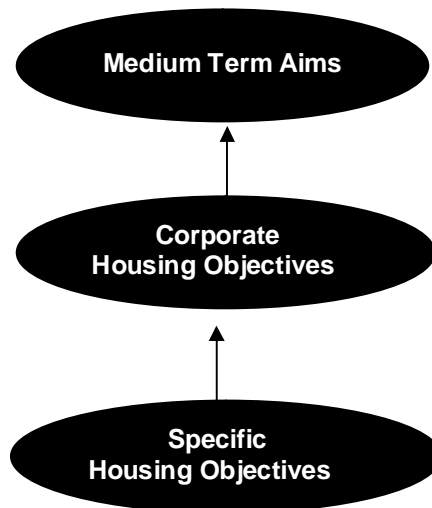
### **3.1 The Council's Corporate Medium Term Aims**

The Council has five medium term aims and priorities, which were revised and set out in the Corporate Plan 2011-2015. They are:

- (a) Endeavour to safeguard frontline services that our local residents tell us are important against a background of diminishing resources;
- (b) Have the lowest District Council Tax in Essex and maintain that position;
- (c) Be recognised as an innovative and transparent council involving residents in our decisions;
- (d) Continuously improve efficiency by adopting new ways of working with our partners and maximising revenue from our assets; and
- (e) Provide clear community leadership and be a strong advocate, championing the interests of the people of Epping Forest and protecting the special character of the District.

### **3.2 Hierarchy of Objectives**

In order to make the best use of its housing assets and deliver an effective housing service, in consultation with representatives of the Tenants and Leaseholders Federation where appropriate, the Council has set Business Plan Objectives at various levels within the organisation, from the high level medium term aims and priorities to individual housing objectives. The hierarchy of objectives can be summarised as follows:



### 3.3 Corporate Housing Objectives

The Council's Corporate Housing Objectives set out the ultimate objectives that the Council strives to achieve on housing issues. The Corporate Housing Objectives relevant to this Business Plan are:

- |                                      |   |
|--------------------------------------|---|
| <b>HO1 – Value for Money</b>         | Provide a high quality housing service, having due regard to the cost of providing the service.   |
| <b>HO2 - Housing Management</b>      | Manage the Council's housing stock efficiently and effectively, obtaining good value for money, to deliver high quality housing services.   |
| <b>HO3 - Repairs and Maintenance</b> | Ensure that all tenants live in a decent home, and that the Council maintains its properties and housing estates to a standard that protects and enhances their value, and provides a safe and satisfactory environment for tenants and leaseholders.   |
| <b>HO4 - Tenant Participation</b>    | Enable the Council's tenants and leaseholders to participate in the delivery of their housing service, through the receipt of good quality information, adequate and appropriate consultation on relevant housing issues and opportunities to provide feedback to the Council, in accordance with the <i>Epping Forest Tenant Participation Agreement</i> . |
| <b>HO5 - Housing Finance</b>         | Manage the Council's financial housing resources effectively, efficiently and prudently, through the maximisation of rental and other income, Government grants and subsidies, and capital receipts, together with the formulation of effective revenue and capital spending priorities and plans and achieve good financial performance against targets.   |

### 3.4 Specific Housing Objectives

In pursuit of the Council's Corporate Housing Objectives, the Council has more detailed Specific Housing Objectives. The Specific Housing Objectives of this Business Plan are as follows:

(a) *Value for Money*:

- (a) Provide consistent quality housing services
- (b) Understand the relationship between housing performance and the cost of service provision
- (c) Involve representatives of the Tenants and Leaseholders Federation in consideration of housing performance and new policy development.
- (d) Seek to continuously reduce costs, whilst maintaining or improving performance

(b) *Housing Management:*

- (a) Provide a decentralised housing management service through two area housing offices based in Epping and Loughton and an Estate Office at Limes Farm, Chigwell.
- (b) Ensure that the Council's housing estates provide an attractive environment for local residents.
- (c) Review the Council's *Housing Allocations Scheme* annually to ensure it continues to be appropriate and gives choice to applicants, following consultation with registered social landlords, local councils and the Tenants and Leaseholders Federation.
- (d) Keep the number of empty Council properties, the period they are left empty, and the associated rental loss to a minimum.
- (e) Keep underoccupation of the Council's housing stock to a minimum.
- (f) Minimise the extent of breaches of tenancy conditions.
- (g) Take firm action against anti social behaviour, through notification, mediation or legal action as necessary.
- (h) Ensure that current rent arrears do not exceed 2.0% of the annual debit.

(c) *Repairs and Maintenance:*

These objectives are set out in detail as part of the Council's *Repairs and Maintenance Business Plan* attached as Appendix 1 to this Business Plan.

(d) *Tenant Participation:*

- (a) Consult individuals, groups and organisations on important matters relating to the provision of housing services, particularly on issues where clients have an element of choice or where decisions will have a major effect on them.
- (b) Comply with the Council's *Housing Charter* relating to the approach and philosophy towards the provision of housing services.
- (c) Comply with the commitments set out in the *Epping Forest Tenant Participation Agreement*.
- (d) Provide information to tenants that is timely, in plain English, of good quality and tailored to both the general and individual needs of tenants.
- (e) Recognise the special needs of certain tenants and respond positively to those needs.
- (f) Obtain feedback from tenants, in a variety of ways, on the Council's performance in the delivery of housing services.
- (g) Encourage, support and develop tenants associations within the District.
- (h) Keep the Council's tenant participation structure under review.
- (i) Consult tenants on major improvement schemes, housing initiatives and matters of general housing management to ensure full awareness of proposals and to obtain their views.
- (j) Encourage, support, consult and develop the District Tenants and Leaseholders Federation, and work in partnership with the Federation to maximise the benefits that can be achieved from tenant participation to improve the delivery of housing services.
- (l) Consult the Federation on the Council's housing services and policies in accordance with the District-wide Tenant Participation Agreement.
- (m) Ensure that appropriate training is made available for tenants.

*(f) Housing Finance:*

- (a) Manage the Council's financial housing resources effectively, efficiently and prudently.
- (b) Maximise the Council's entitlement to Government grants and subsidies.
- (c) Keep under review housing management and maintenance expenditure to ensure that expenditure within the Housing Revenue Account does not exceed income.
- (d) Plan to ensure that the HRA remains in surplus, each year, for a period of at least 20 years.
- (e) Consider the level of fees and charges to be made for housing services on an annual basis.
- (f) Ensure that working balances for the Housing Revenue Account are not forecast to fall below £3m or to exceed £4m at the end of any five-year forecast period.

### **3.5 Summary of Key Activities and Achievements in 2010/11**

The key housing achievements and activities for the Business Plan in 2010/11 are as follows:

- Following a robust assessment by an external assessor, the whole of the Housing Directorate was awarded the Cabinet Office's Customer Service Excellence Award, replacing the Government's Charter Mark, which the Housing Directorate had retained for the previous 6 years
- Very good progress continued to be made with the Repairs Refresh Programme, to further improve the Council's Housing Repairs Service, including the appointment of a private Repairs Management Contractor to manage the Council's Housing Repairs Service and staff from May 2011
- The implementation of the Housing Repairs Service re-structure, to provide a more streamlined, customer-focussed and co-ordinated approach
- Following consultation with all tenants, the provision of a "Local Offer", setting out what tenants could expect from the Council, including the Housing Charter, Housing Service Standards and a Tenant-Agreed Action Plan
- Accreditation of the Council's Careline Service with the Telecare Services Association, confirming a safe and high standard of service provision to the Council's Careline clients
- The Council had the highest level of tenant satisfaction amongst all the Registered Providers of Housing (including housing associations) within the District, whilst charging the lowest average rents

### **3.6 Key Housing Priorities and Action Plan to Meet the Objectives**

The Council's Key Housing Priorities for the next year (2011/12) are set out below.

- Continue to manage and maintain our homes effectively and efficiently
- Complete the implementation of the Repairs Refresh Programme, including the appointment of a private repairs management contractor to deliver the Housing Repairs Service and 5 "key deliverables, including the improvement of repair response times, the introduction of a contractor-based repairs IT system, the provision of appointments for tenants for all response repairs and the introduction of mobile technology for increased efficiency
- Explore the use of fixed term tenancies for certain types of housing applicants and, if agreed, formulate a clear approach to when they should be used, how long tenancies should be for and the review process
- Subject to the Government changing accounting regulations to make it viable for the Council, undertake feasibility studies for the commencement of a modest new Council House-building Programme

- Introduce an on-line housing application facility, to assist applicants and increase the efficiency of the application process
- Prepare for the introduction of self-financing for the Housing Revenue Account from April 2011

There are a number of factors and sources that have influenced the Key Housing Priorities, which were formulated in conjunction with the District-wide Tenants and Leaseholders Federation.

The Key Housing Priorities were selected by the Council having regard to:

- The views of the Tenants and Leaseholders Federation
- National and regional housing policies and priorities
- The objectives, targets and action plans within the Council's Housing Strategy
- The recommendations of the Council's Housing Portfolio Holder and Director of Housing, based on the "Business Plan Analysis" within Chapter 4 of the Business Plan
- Achieving value for money

The Action Plan to meet the Council's objectives is set out in Chapter 13.

## 4. Business Plan Analysis

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### 4.1 Introduction

In formulating the objectives and plans in respect of the HRA, the Council's strengths and weaknesses relating to HRA activities have been examined. At the same time, an analysis has been undertaken of the impact that the external environment has, or will have, on the HRA, and available options have been identified and analysed, in order to formulate cohesive and achievable strategies.

### 4.2 Information Sources

In order to formulate this Business Plan, a number of data sources have been studied. Some of the more relevant data has been included within the Business Plan itself; other data has been used for reference. The main sources of information are as follows:

#### (a) Internal:

- |  |   |
|--|---|
| • Housing Strategy                             | • Housing stock information             |
| • Property attributes database                 | • Council house sales statistics        |
| • Stock Condition Survey                       | • Strategic Housing Market Assessment   |
| • District-wide Tenant Participation Agreement | • Local Tenant Participation Agreements |
| • Historical HRA data                          | • Tenants and Leaseholders Federation   |
| • EFDC Corporate Plan                          | • Housing Service Strategies            |
| • EFDC Risk Register                           | • Capital Strategy                      |

#### (b) External:

- |  |  |
|--|--|
| • Government Comprehensive Spending Review               | • CLG Guidance on Business Plans                             |
| • Halifax House Price Index                              | • CLG proposals – HRA Self-Financing                         |
| • CLG Guidance on HRA Accounts                           | • CLG Guidance – Affordable Rent Scheme                      |
| • CLG "Sustainable Communities: Building for the Future" | • CLG "Local Decisions - a fairer future for social housing" |

### 4.3 The Council's Housing Stock

The Council owned the following HRA stock as at 31<sup>st</sup> March 2010, for which the Council's Housing Directorate is responsible for management and maintenance:

- 6,502 residential properties (\*)
- 935 leasehold properties
- 2,814 garages
- 1 Homeless Persons Hostel comprising 39 rooms and 10 chalets

A number of these properties were transferred to the Council from the former Greater London Council (GLC) in 1980. The housing stock continues to decline due to the effects of the Right to Buy; 6,155 properties have been sold since 1977 (See Section 4.12 below).

An analysis of the Council's housing stock as at April 2010 (excluding the 49 rooms at the Council's Hostel, 6 residential scheme managers' properties and 25 properties "out of charge") is detailed below.

<b>COUNCIL HOUSING STOCK BY TYPE AND YEAR (Excluding Homeless Persons Hostel)</b>					
	<b>April 2010</b>	<b>April 2009</b>	<b>April 2008</b>	<b>April 2007</b>	<b>April 2006</b>
<b>Houses</b>	2,733	2,740	2,743	2,755	2,765
<b>Flats</b>	2,456	2,464	2,471	2,476	2,507
<b>Maisonettes</b>	521	519	520	525	521
<b>Bungalows</b>	792	791	791	793	789
<b>TOTAL</b>	<b>6,502</b>	<b>6,514</b>	<b>6,525</b>	<b>6,549</b>	<b>6,582</b>

<b>COMPARISON OF PRE AND POST WAR COUNCIL HOUSING STOCK BY TYPE (As at 1st April 2010)</b>					
	<b>Pre-1944</b>		<b>Post 1945</b>		<b>TOTAL</b>
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	
<b>Houses</b>	350	5 %	2,383	37 %	<b>2,733</b>
<b>Flats</b>	3	< 1 %	2,453	38 %	<b>2,456</b>
<b>Maisonettes</b>	0	0	521	8 %	<b>521</b>
<b>Bungalows</b>	12	< 1 %	780	12 %	<b>792</b>
<b>TOTAL</b>	<b>365</b>		<b>6,137</b>		<b>6,502</b>

<b>PROPERTY MIX OF COUNCIL HOUSING STOCK BY BEDROOM SIZE (As at 1st April 2010)</b>		
	<b>No.</b>	<b>%</b>
<b>Bedsits</b>	319	5 %
<b>1 Bedroom</b>	2,322	36 %
<b>2 Bedroom</b>	1,813	28 %
<b>3 Bedroom</b>	1,889	29 %
<b>4/5 Bedroom</b>	159	2 %
<b>TOTAL</b>	<b>6,502</b>	

<b>GEOGRAPHICAL SPREAD OF COUNCIL HOUSING STOCK (As at 1st April 2010)</b>								
	<b>Buckhurst Hill / Chigwell</b>		<b>Loughton</b>		<b>Waltham Abbey</b>		<b>Epping / Ongar / Rural Areas</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
<b>Houses</b>	188	7 %	932	34 %	602	22 %	1,011	37 %
<b>Flats</b>	311	13 %	900	37 %	782	32 %	463	19 %
<b>Maisonettes</b>	254	49 %	189	36 %	66	12 %	12	2 %
<b>Bungalows</b>	15	2 %	147	19 %	145	18 %	485	61 %
<b>TOTAL</b>	<b>768</b>		<b>2,168</b>		<b>1,595</b>		<b>1,971</b>	
<b>% of Total</b>		<b>12 %</b>		<b>33 %</b>		<b>24 %</b>		<b>30 %</b>

#### 4.4 Stock Valuation

Under CLG guidelines, the valuation of residential properties is based on Social Housing - Existing Use (SH-EH) value. In 2001, the Council first commissioned the Valuation Office to undertake a formal valuation of the Council's housing stock, as at April 2000. Following desk-top revaluations being undertaken between 2002 and 2005, in 2006, the Valuation Office undertook a full revaluation as at 1 April 2005. Further desk-top valuations have been undertaken since 2006.

A further formal valuation is being undertaken by the Valuation Office in Spring 2011.

#### 4.5 Overview of the Management of the Council's Housing Stock

##### *(a) Introduction*

The Council's housing stock is a major asset, and it is therefore essential that it is properly managed and maintained. This section of the Business Plan sets out how the Council's stock is managed.

##### *(b) Housing Directorate*

The lead directorate for the management and maintenance of the Council's housing stock is Housing, under the management of the Director of Housing.

The permanent Staff Establishment of the Housing Directorate comprises 211 full and part-time members of staff. Of these, only 11 private sector housing staff and 5 homelessness staff are involved in non-HRA activities. Appendix 4 sets out the Staffing Structure of the senior management of Housing, together with the main responsibilities of each of the nine sections.

Most of the staff within Housing are centrally based at the Civic Offices in Epping. However, the following services are decentralised.

- |                                    |  |
|------------------------------------|--|
| <b>Area Housing Office (South)</b> | Based in the heart of The Broadway Shopping Centre, Loughton, the office provides a comprehensive housing and estate management service to tenants in the south of the District (See Section 4.6(a) below).  |
| <b>Limes Farm Estate Office</b>    | Based on the Limes Farm Estate, Chigwell, the Estate Office provides a localised housing and estate management service to the tenants of the Estate. The office is open every morning during the week, managed by the Assistant Area Housing Manager. In 2012, the office will be re-located to the Limes Farm Community Centre following a major extension and refurbishment, which will bring a number of services together, including a decentralised housing benefits service. |
| <b>Careline Control</b>            | The Council provides an older peoples alarm network, Careline, which is managed from Careline Control based at Parsonage Court, Loughton. The service is managed by the Housing Manager (Older People's Services), based at Careline Control (See Section 4.6(k) below).   |
| <b>Sheltered Housing</b>           | The Council has 13 sheltered housing schemes for older and frail older people, each managed by a Scheme Manager. In addition, 3 Area Scheme Managers provide a visiting service to older tenants on housing estates (See Section 4.6(m) below).  |

##### *(c) Management Board*

The Management Board comprises the Chief Executive and the five Service Directors. Its purpose is to ensure a corporate approach to the delivery of Council services. The Management Board meets on a fortnightly basis.

##### *(e) Support Services*

The Housing Directorate is supported by a number of other services within the Council to deliver its housing management and maintenance. The following lists the main support services:



<b>Accountancy</b>	The Council's Finance & ICT Directorate provides a comprehensive accountancy service under the management of the Director of Finance & ICT, including the provision of financial advice, financial planning, budget formulation and monitoring, invoicing, payments, sundry debtors and creditors.
<b>Audit</b>	The Council's audit function is undertaken by the Chief Internal Auditor in accordance with the Council's Audit Plan.
<b>Grounds Maintenance</b>	The Council's grounds maintenance is undertaken by the Environment and Street Scene Directorate. The arboricultural contract is undertaken by a private contractor.
<b>Housing Benefits</b>	Housing Benefits is administered within Finance under the management of the Asst Director of Finance & ICT (Benefits).
<b>Information &amp; Communication Technology (ICT)</b>	Although the database for the integrated housing system is supported by the Housing Directorate, the network is managed by the Finance and ICT Directorate.
<b>Legal</b>	The Corporate Support Directorate provides a comprehensive legal service to Housing including conveyancing, litigation, advocacy, contract administration and legal advice.
<b>Human Resources</b>	The Corporate Support Services Directorate is responsible for strategic HR issues, industrial relations, recruitment and other HR operations.
<b>Performance Management</b>	The Performance Improvement Unit, within the Office of the Deputy Chief Executive, is responsible for the co-ordination of performance management data.
<b>Public Relations &amp; Marketing</b>	Although the Housing Directorate has an in-house housing information service, a corporate public relations service is provided by the Public Relations and Marketing Section within the Office of the Deputy Chief Executive.

#### **4.6 Delivery of Housing Services**

##### *(a) Estate Management*

Estate management is undertaken by the two Area Housing Offices under the direction of the Area Housing Managers. The Area Housing Office (North), based at the Civic Offices, Epping, manages around 3,560 properties in the north of the District, including the towns of Epping, Waltham Abbey and Ongar. Most of the properties in the rural part of the District are also managed by the Area Housing Office (North). As outlined above, the Area Housing Office (South) is based in The Broadway Shopping Centre, Loughton and manages around 2,940 properties in Loughton, Buckhurst Hill, Chigwell and the immediately surrounding areas. The office also provides a cash office facility, managed by Finance, for the payment of all Council charges, including rents.

Within the Area Housing Offices, Housing Officers (Management) manage around 700 properties each. They are responsible for dealing with breaches of tenancy conditions, including rent arrears recovery and estate management. In addition to ad-hoc estate inspections, staff in the Area Housing Offices undertake an annual programme of planned estate inspections covering the whole of the District.

The Council undertakes the cleaning/cleansing of estate and sheltered housing schemes in-house, and employs three full time caretakers for two large estates in the District and 14 full and part-time cleaners.

##### *(b) Rent Collection*

The collectable rent debit in 2009/10 was £27.8m (an increase of 5.4% from 2008/9). Rent is collected through a variety of methods. Due to the rural nature of the District, Post Office Giro is extensively used to enable tenants to pay their rent at local post offices. In addition, the Council's rent collection administrator, Allpay, provides a number of rent payment points in convenient locations (e.g. supermarkets, garages etc.)

throughout the District. The Council also provides three cash desks based in Epping, Waltham Abbey and Loughton. Direct debit and standing orders are also offered to tenants, as well as a facility for rent payments to be made by debit card, or through the internet, or by text. During 2011, tenants will also be able to pay their rent and other charges by credit card, for a small processing fee.

The rent collection rate in 2009/10 was 97.74%, lower than the collection rate of 99.24% in 2008/9.

*(c) Current and Former Rent Arrears*

The Council's approach towards rent arrears recovery is set out in the Housing Service Strategy on Rent Arrears. The Council has a historically good record of rent arrears recovery, especially when compared to the national trend of rent arrears increases. The level of current rent arrears amounted to £420,043 as at 4 April 2010, representing 1.51% of the annual debit – a decrease on the 1.62% rent arrears in 2008/9.

Former tenant arrears amounted to £331,365 as at 4 April 2010, of which £225,010 were due to former dwellings arrears (the rest due to former garage, housing benefit, court costs and replacement tenancy arrears).

During 2009/10, £46,331 of former tenant arrears was written off. Former tenant arrears of £58,681 were collected in 2009/10, a decrease of 46 % on the amount collected in 2008/9.

*(d) Anti-Social Behaviour*

Although serious anti-social behaviour amongst the Council's tenants is uncommon, there has been a marked increase in the number of anti-social behaviour cases in recent years. The Council therefore takes seriously its responsibility to minimise such behaviour, through the enforcement of its tenancy conditions and other available remedies. Often, such behaviour can be curtailed simply by a housing officer visiting or writing to the alleged perpetrators. Alternatively, the Council facilitates mediation by an independent third party. However, if the anti-social behaviour is serious or continues, the Council uses one or more of the following remedies:

- Repossession – Under the Housing Act 1996, the Council can seek to repossess a property if a tenant, resident or visitor causes (or is likely to cause) a nuisance to other residents in the locality, or if they are convicted of using their property for illegal purposes, or convicted of an arrestable offence in or near the property.
- Demoted Tenancy Orders (DTOs) – The Council can seek from the court a DTO if a tenant is causing anti-social behaviour. If granted, a DTO removes the tenant's security of tenure for a period of one year. If there are further incidences of anti-social behaviour within that period, the Council can obtain return to court and obtain a possession order without having to give any grounds. The Council has resolved to seek DTOs in appropriate cases.
- Introductory Tenancies (ITs) – The Council started to use ITs in 2006, following an extensive consultation exercise with all tenants and partners in 2005. All new tenants are now given an IT (instead of a secure tenancy) for the first year of their tenancy. If the new tenant causes anti-social behaviour, or breaches any other tenancy conditions within that period, the Council can obtain a possession order, without having to give any grounds. If there are no breaches within that year, the tenancy automatically converts to a secure tenancy.
- Injunctions - Also under the Housing Act 1996, the Council can seek an injunction from the courts to prohibit a person from causing a nuisance to other residents in the area, or using premises for illegal purposes. However, these can only be granted if violence is used or threatened, and if there would be a significant risk of harm if an injunction was not granted.
- Anti-social behaviour orders (ASBO's) – Under the Crime and Disorder Act 1998 and the Anti-Social Behaviour Act 2003, the Council or the Police, in consultation with each other, can seek an ASBO from the courts if there is ongoing criminal type behaviour. The person must be over 10 years of age and be acting anti-socially towards others, causing harassment, alarm or distress. The ASBO prohibits the person from continuing with the anti social behaviour. A breach of the order is a criminal offence, with a maximum penalty of 5 years imprisonment.

*(e) Empty Properties*

In order to maximise rental income and effectively meet housing need, it is essential that the number of empty properties, and the associated re-let period, is kept to a minimum. There were 78 empty properties as at 1<sup>st</sup> April 2010, representing an increase of 3 properties (4%) over the previous year's number of 75. The rental loss from empty properties in 2009/10 amounted to just 0.82% of the annual debit.

*(f) Difficult to Let Properties – Low Demand*

Generally, the Council does not experience any of the problems faced by many northern authorities of “low demand” and has a high demand for most of its properties. However, some difficulties are experienced in letting certain types of properties in sheltered housing and schemes for frail older people (“Part 2.5”). As at 1<sup>st</sup> April 2010, there were only 6 vacant properties meeting the “difficult to let” criteria (all flats at the Council’s scheme for frail older people at Jessopp Court, Waltham Abbey and bedsits in sheltered housing schemes).

*(g) Choice Based Lettings (HomeOptions Scheme)*

Since 2007, the Council has operated its HomeOptions Scheme, a choice based lettings scheme operated in partnership with five neighbouring councils (Brentwood, Uttlesford, Chelmsford, East Herts and Broxbourne) whereby housing applicants are able to choose the property that is let to them, rather than being “allocated” properties. Offers of accommodation are made to applicants who have expressed in specific vacant properties who are in the highest priority band, in date order. The scheme is operated by Locata, a choice based lettings agency.

*(h) Review of the Housing Register*

In order to ensure that the Housing Register is up to date, reviews of applicants that have not expressed any interest in properties through the HomeOptions choice based lettings schemes are undertaken on an ongoing basis.

*(i) Homeless Persons Hostel*

The Council’s Homeless Persons Hostel in North Weald comprises 38 rooms and 10 “chalets” with shared kitchen and bathroom facilities. Managed by a Hostel Manager, who is supported by two Assistant Hostel Managers, it provides an invaluable facility to provide temporary accommodation to homeless families, to reduce the use of bed and breakfast accommodation.

*(j) Leasehold Services and Service Charges*

The Council had 935 properties leased under the Right to Buy as at 31 March 2010, compared to 932 properties the previous year. 3 additional properties were leased between 1<sup>st</sup> April 2009 and 1<sup>st</sup> April 2010. Leaseholders are charged two main types of service charges; annual charges are made for the provision of ongoing communal services (eg cleaning, grounds maintenance, responsive repairs etc); charges are also made for larger planned repairs and improvements following consultation in accordance with the Housing Act 1985.

*(k) Careline Service*

The Council operates an alarm network for older people (Careline Service) to the following categories of older people in the District (as at 1 April 2010):

Council tenants	1,120
Private occupiers	1,285
Housing association tenants	84
<b>Total</b>	<b>2,489</b>

The number of users receiving the service increased by around 4% during 2009/10. The monitoring and response service is provided by Careline to private occupiers on a permanent basis, and to other residents when their Scheme Manager goes off duty. The Careline Service is available 24 hours per day, 365 days per year and is based at Parsonage Court, Loughton. Response times are monitored and, in 2009/10, 97.7% of all calls were responded to within 30 seconds. The average time to respond to calls was 7.6 seconds.

Charges to Council tenants for the service are included within the “support charge” applied through the Supporting People programme (See Section 4.9). Charges are also made to private occupiers to meet the costs of the initial alarm purchase and to contribute towards the running costs of the Careline Service.

One of the outcomes of the Review of the Careline Service undertaken in 2008/9 was that the Careline Service should seek to provide other out-of-office hours services for the Council (e.g. repairs reporting and CCTV monitoring), and that it should also seek to provide the service to other landlords, especially when tenders are invited, in order to increase the viability of the Careline Service.

*(l) Telecare*

Telecare is an initiative being undertaken by Essex County Council’s Adult Social Care Service and a number of service providers, including Epping Forest DC, in order to keep the costs of 24-hour care provided to older people to a minimum. It utilises technology to monitor the well-being of older people in their own homes. The County Council provides significant funding for the initiative. This Council’s Careline Service has trained assessors who are able to provide a wide range of telecare sensors to assist people to live independently.

*(m) Sheltered Housing & “Very Sheltered” Housing*

The Council has 427 sheltered housing properties within 11 sheltered and grouped housing schemes throughout the District, with each one managed by a Scheme Manager. From April 2003, sheltered housing tenants have paid a “support charge” that represents the costs of providing them with the sheltered housing service.

The Council also owns and maintains a “Part 2½” scheme, Jessopp Court, for frail older people in Waltham Abbey, which is managed by Essex Adult Social Care (ASC) under a partnership arrangement. However, ASC has recently announced that it intends to withdraw from the partnership arrangement. Subject to the agreement of members, it is likely that the most practical future approach to Jessopp Court will be to operate the scheme as a sheltered housing scheme.

In addition, three “Area Scheme Managers” visit 307 older people in properties situated within general needs housing estates that have been designated as especially suitable for older people. Visits are made on a “call category” basis, dependent on the assessed level of risk, as follows:

<b>BREAKDOWN OF CALL CATEGORIES FOR PROPERTIES DESIGNATED AS SPECIALLY SUITABLE FOR THE ELDERLY (As at 1<sup>st</sup> April 2010)</b>		
<b>Category</b>	<b>Frequency of Visits</b>	<b>No.</b>
<b>A</b>	Once every week	24
<b>B</b>	Once every fortnight	34
<b>C</b>	Once every month	249

*(n) Housing ICT*

The Council utilises the Open Housing Management System (OHMS), an integrated housing computer system, from Northgate. The system integrates seven separate modules (e.g. rents, allocations, repairs etc), enabling staff users to access different areas of information and to provide a one-stop approach to the provision of information to tenants and applicants. The system also gives essential management and performance indicator information.

The Council has provided an interactive housing service on the Council’s website for many years, in order to increase the accessibility to housing services for tenants via the internet. This includes the following sections:

- HomeOptions – the Council’s choice based lettings system, enabling housing applicants to express interests in up to three vacant properties every fortnight
- HomeSwapper – the Council’s web-based mutual exchange system, enabling tenants to provide details of their property and to both attract and seek mutual exchanges

- "A-Z of Housing Services" – providing a description of each housing service provided (eg "Abandoned Vehicles"), the ability to send an e-mail to the appropriate person dealing with that service and the ability to request any leaflets relating to the service.
- "Contact Us" - listing the main sections and offering the ability to send an e-mail by launching the users' e-mail software with a pre-addressed e-mail.
- "Housing Publications" - enabling users to download certain publications and to request any housing leaflets through the completion of an on-line form.
- "Latest News" - providing regularly updated housing-related press releases and information.
- "Feedback" – enabling tenants and other housing clients to provide feedback on housing services and the housing website.
- "Consultation" - where consultation documents and plans can be viewed and downloaded.
- "Payments" – enabling tenants to pay rent and other housing charges via the internet.

#### 4.7 Partnership Working

The Council cannot deliver its Business Plan alone, in many cases it must work in partnership with other organisations. Examples of effective partnership are as follows:

*Citizens Advice Bureau* The CAB in the District provides an invaluable additional advice service for the Council's tenants. Good working relationships have been built up over a number of years. Quarterly Liaison Meetings are held between senior CAB staff and senior housing officers.

*Older People's Joint Management Team* The OPJMT comprises representatives of statutory and voluntary organisations involved with elderly people at the local level, including the Council. Meeting on a regular basis, the OPJMT oversees the co-ordination of joint care provided to elderly people and identifies and develops new initiatives.

*Essex County Council* The Council works closely with Essex Adult Social Care and Children and Young Peoples Services in respect of all client groups. Particularly intense co-operation is undertaken in respect of anti-social behaviour and allocations of accommodation to vulnerable people. The Council works in partnership with the County Council's Supporting People Commissioning Team on the development of the supporting people programme at both the strategic and operational level.

*Essex Police* The Council works closely with Essex Police on a number of issues. These are mainly in relation to dealing with anti social behaviour, crime prevention, the management of dangerous offenders, responding to "hate incidents" and the removal of abandoned vehicles. The Council and Essex Police have agreed a joint protocol for the use of anti social behaviour orders, and jointly fund a number of police community support officers.

*Tenants and Leaseholders Federation* The Federation comprises representatives of the five recognised tenants associations within the District, the district-wide Leaseholders Association, Sheltered Forum and Rural Tenants Forum, that meets every six weeks. It is consulted on, and provides feedback on housing issues, and monitors the Council's housing performance (see [Section 4.8](#) below).

*Voluntary Action Epping Forest* This is the umbrella organisation for voluntary organisations in the District. The Housing Directorate works with VAEF on a number of projects to benefit the Council's tenants, including a scheme to assist older tenants with gardening.

#### 4.8 Tenant and Leaseholder Participation and Consultation

The Council is committed to involving tenants with the delivery of their housing services and has made good progress with developing tenant participation. The Council has a detailed Tenant Participation Strategy (which is regularly reviewed – most recently in February 2011) and has a dedicated Tenant Participation Officer to deliver the commitments set out in the Tenant Participation Agreement (see below) and to further develop tenant participation in the District.

The Council has facilitated the formation of five recognised tenants association and one tenants panel throughout the District. In addition, the Council has established the district-wide Leaseholders Association, which represents the views of the Council's leaseholders and with whom the Council can consult on leasehold issues, including service charges. In 2004, the Council also established the Epping Forest Sheltered Forum, comprising representatives from most of the Council's sheltered housing schemes across the District.

In 2006/7, the Council established the Rural Tenants Forum to represent the tenants of the more rural parts of the District, not large enough to sustain their own residents organisations. Representatives from 12 different rural villages/parishes have joined the Forum, which meets four times each year. The Forum also has representation on the Tenants and Leaseholders Federation.

A number of years ago, the Council established the Epping Forest Tenants and Leaseholders Federation, which represents all the Council's tenants and leaseholders, with whom the Council consults and briefs on matters of interest. The Federation has an Executive Committee, comprising two representatives from each of the five recognised tenants associations, and two representatives from the Tenants Panel, Leaseholders Association, the Sheltered Forum and the Rural Tenants Forum. The Federation meets with the Housing Portfolio Holder and senior housing officers every six weeks, and is chaired by one of the Federation's representatives.

The Federation is consulted by the Housing Portfolio Holder and senior housing officers on all proposed changes to housing policy or procedures that affect all (or the majority of) tenants, before decisions are made. The Federation's comments on such proposals are included in reports to Portfolio Holders and the Cabinet. The Chairman of the Federation is also a member of the Council's Housing Scrutiny Panel.

The Council's first District-wide Tenant Participation Agreement (Compact) between the Council and the Tenants and Leaseholders Federation was signed in March 2000. Following regular reviews and consultation with all tenants, the Agreement has been updated and signed in November 2003, January 2006 and January 2009. The Agreement is a statement of commitment by both the Council and the Federation, which sets out in writing the intentions of the Council and the Federation in the approach they will take for;

- the provision of information to tenants
- consultation with tenants on housing policy issues
- the operation of the Federation.

The Agreement has been drafted in accordance with the guidelines set out in the "*National Framework for Tenant Participation Compacts*" produced by the former ODPM.

In addition, *Local* Tenant Participation Agreements are signed each year with each of the recognised tenants associations. A unique Leaseholders Participation Agreement has also been signed between the Council and the Leaseholders Association, which sets out how leaseholders will be informed of, and consulted on, relevant issues.

The Council has a good record of consulting tenants and others on housing issues that affect them, both at the District level and at the local level. Elsewhere in this Business Plan, details are given of the consultation undertaken on:

- Tenant satisfaction
- New housing policies
- "Consultation" Section of Housing Website
- Tenants & Leaseholders Federation
- Tenant Participation Agreement
- Stock Options Appraisal
- This Business Plan

Each year, around July, the Council produces a *Tenant Participation Impact Assessment*, which explains the activities of the Council and the Tenants and Leaseholders Federation over the previous year, and assesses the impact that tenant participation has had on the Housing Service. The *Impact Assessment* is scrutinised by the Tenants and Leaseholders Federation and the Council's Housing Scrutiny Panel each year.

#### **4.9 Supporting People**

The Government's "Supporting People" programme has been in place since April 2003. Under this regime, the costs of support services in respect of Council tenants have not been met by the HRA, but from the Supporting People Budget, managed by the county-wide Supporting People Commissioning Body.

The main effects on the HRA have been as follows:

- The Council receives Supporting People Grant from the Commissioning Body for most of its support costs, except for tenants of sheltered housing schemes who took up occupation after 1 March 2003 who are not in receipt of housing benefit, who have to pay the charge themselves.
- The Council must meet the cost of “transitional supporting people protection”. This is an allowance given to tenants of sheltered housing schemes who are not in receipt of housing benefit, and is equivalent to the difference between their (higher) support charge and the previous “scheme manager charge” that they paid. This transitional protection is applied until the tenant vacated the property.

However, following the Government’s cuts to local government grants from April 2011, Essex County Council intends to reduce its Supporting People budget by around 30% (approximately £10m per annum) from 2011/12. This will have a significant effect on supported housing provision throughout Essex. All other local authority housing providers in Essex are reporting reductions in Supporting People funding for their sheltered housing schemes of 40%-60%; this is due to the hourly grant rate for sheltered housing being capped at £17 per hour and the maximum no. of hours support funded by Supporting People being reduced from 1 hour per week per property to 0.5 hours per week per property from April 2011. Fortunately, due to the Council historically providing a cost effective sheltered housing, whereby most of EFDC’s sheltered scheme managers have supported more residents than all other local authority providers in Essex, the Council’s reduction in Supporting People funding from Essex County Council will only be 6% (£14,000 per annum) from 2011/12.

#### **4.10 Fees and Charges**

In addition to rents, the Council makes a number of other charges for housing services, which are reviewed annually in November by members in order to feed into the budget making process. Generally, fees and charges are increased annually in line with inflation. The general increase applied for 2011/12 is 5%. However, each charge is considered on its own merits and variations are made to this approach for strategic reasons.

#### **4.11 Repairs, Maintenance and Improvements**

Probably the most important elements of this Business Plan are the:

- analysis of the condition of the Council’s housing stock
- plans to ensure that all the Council’s properties continue to meet the Government’s “Decent Home Standard”
- assessment of the likely availability of funding for repairs, maintenance and improvements
- formulation of standards and policies for repairs, maintenance and improvements

In view of this importance, the Council has developed a Repairs and Maintenance Business Plan which, although a free standing document, forms an integral part of the overall HRA Business Plan. The Repairs and Maintenance Business Plan is attached as Appendix 1. During 2011/12, a separate Housing Service Strategy on Repairs and Maintenance will be produced, setting out the Council’s general approach to repairs and maintenance.

#### **4.12 Right to Buy and Rent to Mortgage Sales**

Under the Housing Act 1985, the Council is required to sell Council properties to eligible sitting tenants at a discount. Local authorities also have discretion to sell properties on a voluntary basis outside the right to buy provisions. A number of years ago, the Council operated such a voluntary sales policy, but no longer does so. Between 1<sup>st</sup> April 1977 and 31<sup>st</sup> March 2010 (33 years), the Council has received 11,589 applications to purchase, resulting in 6,155 sales (53%), of which 4,599 were under the right to buy.

In 2009/10, 34 applications to purchase under the right to buy were received (5 more than in 2008/9), which resulted in 8 sales (compared to 7 sales in 2008/9 and 28 in 2007/8). The average open market valuation in 2009/10 was £157,875 per property, compared to £174,000 in 2008/9. The current maximum right to buy discount for the Council’s region is £34,000, which was the actual discount provided for all sales in 2009/10. The average purchase price was £123,875 per property (compared with £140,000 per property in 2008/9).

#### 4.13 The District's Housing Needs Relevant to the HRA Business Plan

##### *(a) Introduction*

It is important that the HRA Business Plan reflects the known housing need in the area and the predictions of how this might be expected to change in the future. In particular, if the projected housing need is low or diminishing, it could affect future rental income streams. However, the District does have a high level of housing need, that cannot be met by the current and projected supply of affordable accommodation. Unlike other areas of the country, it is predicted that this position will not change in either the short or longer term.

##### *(b) Strategic Housing Market Assessments (SHMAs)*

The Government has issued guidance to all local authorities that they should undertake strategic housing market assessments, in collaboration with other local authorities that operate within the same housing market.

Planning Policy Statement 3: Housing defines housing need as 'the quantity of housing required for households who are unable to access suitable housing without financial assistance' and housing demand as 'the quantity of housing that households are willing and able to buy or rent'. Housing market areas are 'geographical areas defined by household demand and preferences for housing. They reflect the key functional linkages between places where people live and work'.

Strategic Housing Market Assessments help local authorities and regional bodies to develop a shared evidence base to inform the development of spatial housing policies. In addition, they help to inform decisions about the policies required in housing strategies.

Strategic housing market assessments do not provide definitive estimates of housing need, demand and market conditions. However, they do provide valuable insights into how housing markets operate, both now and in the future.

The Epping Forest District Council is within the London Commuter Belt (LCB) Sub Region for housing purposes. Six districts of the Sub Region, including Epping Forest, joined to form the London Commuter Belt (East)/M11 SHMA Area and commissioned Opinion Research Services (ORS) to undertake a comprehensive and integrated SHMA. The other five districts in the SHMA area are Brentwood, Broxbourne, East Herts, Harlow and Uttlesford. The research used secondary data from sources such as the UK Census, the former Housing Corporation, HM Land Registry and the Office for National Statistics, along with a qualitative consultation programme with a wide range of stakeholders.

The Key Findings of the (SHMA), relevant to this Business Plan are that:

- The key factors that characterise the SHMA area are:
  - Its proximity to London;
  - Its house prices;
  - The diversity of the area that appeals to both residents and migrant households.
- Between 2001 and 2006, the population of the area rose by 8.5% and the 2001 Census states that 5.5% of households in the SHMA area are overcrowded. It is estimated that around 7,100 households in Epping Forest are considered to be unsuitably housed
- There are 1,300 households in housing need in Epping Forest
- Epping Forest has the largest mis-match between the 2004-based household growth projections to 2026 (8,200 households) and the East of England dwelling allocation (3,500 dwellings)
- There will be a projected shortfall of 5,700 affordable homes in Epping Forest between 2007 and 2021

##### *(c) New Affordable Housing Provision*

At the time of writing, the Council's monitoring arrangements for new affordable housing provision identify the following:



- 135 new affordable homes are expected to be completed on 8 development sites during 2010/11
- A further 195 affordable homes have planning permission, and are expected to be completed within the following 2 years
- Developers are giving active consideration to the development of a further 193 affordable homes on 4 sites in the District, although it is unlikely that all these developments will receive planning permission

*(d) Housing Register Data*

The numbers of applicants on the Housing Register confirm the levels of households seeking social housing in the District. The following table illustrates the levels of need over the past two years, based on the numbers registered on the Housing Register.

<b>COMPARISON OF HOUSING NEED (2009 – 2010)</b>				
	<b>March 2009</b>	<b>March 2010</b>	<b>Difference (2009 – 2010)</b>	
			<b>(Nos.)</b>	<b>%</b>
<b>1 Bed</b>	2,749	3,014	+ 265	+ 9.6 %
<b>2 bed</b>	1,181	1,312	+ 131	+ 11.1 %
<b>3 bed</b>	585	593	+ 8	+ 1.4 %
<b>4 Bed</b>	80	89	+ 9	+ 11.3 %
<b>TOTAL</b>	<b>4,595</b>	<b>5,008</b>	<b>+ 413</b>	<b>+ 9.0 %</b>

*(e) Social Housing Turnover*

Social housing turnover (in both the Council's own stock and that of registered social landlords) has also been taken into account in the preparation of this Business Plan. The following table compares turnover of Housing Register, homeless and other applicants for vacancies in the Council's housing stock over the last two years. As can be seen, turnover increased by 2.7 % in 2009/10 compared to the previous year.

<b>HRA HOUSING STOCK TURNOVER (2008/9 and 2009/10)</b>		
	<b>2009/10</b>	<b>2008/9</b>
<b>Housing Register (inc homeless)</b>	395	400
<b>Mutual exchanges</b>	140	121
<b>TOTAL</b>	<b>535</b>	<b>521</b>

In addition, 116 applicants were nominated and accepted in 2009/10 for vacancies in stock owned by housing associations, an increase of 90% compared with the 61 applicants nominated and accepted in 2008/9.

*(f) Local Housing Market*

Local market factors can have a significant bearing on future housing demand and/or the sustainability of current rent structures. Indeed, the Council's future rent levels under the Government's proposed rent reforms are affected by property values.

The Strategic Housing Market Assessment (SHMA) established that the average property price in Epping Forest in 2008 (Quarter 1) was around £365,000. The average property price rose by 133% between 2000 and 2008 (Quarter 1) – the highest increase in the SHMA Area.

In 2002, the average property price in Epping Forest was 9 times the median full-time earnings of someone working in the District. This rose to 11 times the median earnings by 2010 which is, by far, the highest ratio in the SHMA Area.

#### **4.14 Staff Training and Development**

The Council operates a comprehensive Performance Development Review (PDR) process. Formal, structured PDR interviews are held between line managers and all their staff on an annual basis. The PDR process covers:

- Performance over the previous year (including achievements, progress on meeting targets, obstacles encountered and areas of weakness)
- Personal development, and training received, over the previous year
- Assessment of areas for development over the forthcoming year, including training needs, with targets
- Formulation of a Personal Action Plan for the forthcoming year, with targets.

The training needs of all housing staff are then collated annually into a Schedule of Identified Training Needs, which is then monitored by line managers throughout the year. As training needs are met, a record is kept for each member of staff in the Schedule of Completed Training Needs.

The Council also has a Corporate Training Programme and a Member Training Programme, which is formulated each year following an assessment of the most common identified training needs. The Programme comprises a range of training courses, from one day courses to twelve day supervisor/management development programmes held over the period of a year.

#### **4.15 The External Environment**

In order to ensure a robust Business Plan, in addition to analysing the “internal environment” within which the Council operates, it is essential to also analyse the “external environment” which, although outside the Council’s control, has an effect on the Council. The following external issues have been identified as having an effect on the Council and have been taken into account in the formulation of this HRA Business Plan:

<b><i>Housing Regulatory Framework</i></b>	From April 2010, the Tenant Services Authority introduced a new Housing Regulatory Framework, with which the Council must comply.
<b><i>Comprehensive Spending Review</i></b>	In October 2010, the Government published its Comprehensive Spending Review, setting out its public spending plans for the following 4 years.
<b><i>CLG “Local Decisions – a fairer future for social housing”</i></b>	In Autumn 2010, the Government published this Consultation Paper, which set out the Government’s proposals for the future of affordable housing, including: creation of a new local authority flexible tenancy with a minimum two year term; requiring housing associations to charge new “affordable rents” of up to 80% of market rent for all newly built affordable properties, and a proportion of re-lets; giving local authorities greater powers to manage their housing waiting lists; introduction of a nationwide Social Home Swap Programme; reform of social housing regulation; and the Introduction of legislation to replace the Housing Revenue Account subsidy system with a system of self-financing from April 2012
<b><i>HCA Guidance – Affordable Rent Scheme</i></b>	The Government’s published guidance on the proposed introduction of its Affordable Rent Scheme for new housing association properties and a proportion of relets
<b><i>Proposed reforms of the Housing Revenue Account Subsidy System</i></b>	Following a consultation exercise, the Government has announced that it intends to replace the HRA Subsidy System with a new system of Self-Financing for the HRA, whereby many councils, like EFDC, will take on the housing debt of other local authorities.

## **5. Provision of Quality Housing Services**

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### **5.1 Customer Service Excellence Award – Housing Directorate**

In November 2010, the whole of the Council’s Housing Service was awarded the Cabinet Office’s prestigious Customer Service Excellence Award for a three year period. This award replaces the Government’s Charter Mark Award, which the Housing Directorate first received in 2004, and for a further three years in 2007. The Customer Service Excellence Award is the national standard for customer service for organisations delivering public services. It is independently and rigorously evaluated and assessed. To meet the standard, organisations must demonstrate that they: listen to their customers; learn what aspects of their

service are most important to them; deliver a service that is tailored to customers' needs; and continuously improve. Very few local authority housing departments nationally have achieved the new Customer Service Excellence Award for the whole of their Housing Service. Having the award gives confidence to the Council's tenants, applicants and other clients that the Housing Directorate provides a customer-focused service to them that also strives to continuously improve.

## 5.2 ISO 9001:2008 Quality Accreditation – Housing Directorate

It is essential that the Council has processes and procedures in place to ensure that quality housing services are provided to its clients on a consistent basis. Therefore, the Housing Directorate has invested a lot of time and effort to ensure that a robust and properly audited system is in place to ensure that quality services are provided.

ISO 9001:2008 (previously 9001:2000) is an internationally recognised quality assurance accreditation that confirms that, following a rigorous assessment by a licensed external assessor, the service provided is of a consistently high quality. Since 2002, the whole of the Housing Directorate has been accredited with the ISO 9001:2000/2008 Quality Award. The accreditation includes the following specific areas of the Housing Directorate's work:

- Housing Repairs Service
- Housing Assets
- Housing Management
- Housing Needs
- Older Peoples Housing (incorporating Careline and Sheltered Housing)
- Housing Resources (incorporating House Sales, Leasehold Services, Housing Information & Strategy, Rents Administration and Support Services)
- Private Sector Housing

The external assessments of the Housing Directorate were carried out by Lloyds Register Quality Assurance, who undertook a number of visits, audits, inspections and site visits as part of their overall initial assessment. The award lasts for three years, during which time regular audits/inspections are undertaken by Lloyds Register Quality Assurance to ensure that the standards and quality are maintained. The Council was re-accredited with the status for a further three years in May 2008 and is currently preparing for the full tri-annual assessment in May 2011.

The Housing Directorate's Quality Management System comprises:

- A **Process Manual**, that sets out the main processes carried out by the Housing Directorate
- A **Quality Manual**, that sets out the approach taken to ensure consistent quality
- A **Policy Manual** that provides a record of all the agreed Council policies relating to housing
- A **Procedures Manual**, documenting every individual task undertaken by Housing Directorate staff (totalling almost 800 tasks)
- **Regular internal audits** by Council staff, formally trained and certificated to undertake ISO 9001:2008 internal audits.

Epping Forest was one of the first local authorities in the country to receive the award for *all* of its public sector housing services.

## 5.3 Tenant Satisfaction

The Council has previously been encouraged by the Government to undertake a detailed Tenants Satisfaction Survey every two years. The Council's first survey was undertaken in 2001, with the latest undertaken in 2008. Preparations were being made to undertake a further survey during in 2010. However, the Government discontinued its requirement in 2010.

Notwithstanding this decision, the Council places great importance on gauging tenant satisfaction levels and comparing with other social landlords. Therefore, it is working with Housemark, the national housing benchmarking club, to develop a common tenant satisfaction survey (in a similar form to the Government's

previous survey) in order to undertake a further tenant satisfaction survey in 2011, and to benchmark the results with other landlords subscribing to Housemark.

The findings of the Council's last survey in 2008 were analysed by the independent consultancy that undertook the survey, the National Housing Federation (NHF), who produced both a detailed report on the findings, as well as an Executive Summary. The main headline results from last survey are set out below.

A standard questionnaire and survey process called "STATUS" was used. STATUS is a standardised tenant satisfaction postal survey that was developed by the National Housing Federation (NHF). The STATUS questionnaire is endorsed by the Government's Communities and Local Government (CLG).

The STATUS questionnaire is designed to be used by social landlords to survey tenants in general needs housing. It is designed to be a baseline survey, which can be repeated over a number of years. It allows for comparison of data between different social landlords and provides a valuable tool to help social landlords achieve best value and continuous improvement in service delivery.

Around 1,500 tenants (25% of all the Council's tenants) were randomly selected by the NHF to be surveyed. An exceptionally high response for a postal survey of 53% was received, giving a 3% margin of error at the 95% confidence level. This means that if the Council surveyed all 100% of its tenants, there is a 95% certainty that the results for all the questions would be somewhere between 3% less and 3% more than the results from the sample survey.

Based on their findings, the NHF concluded that:

*"The Council and its staff have every right to be pleased to learn that overall tenant satisfaction with the landlord service that the Council provides remains high and significantly above that reported by most other landlords. Key driver analysis showed that satisfaction with the repairs and maintenance service and satisfaction with the outcome of their contacts with staff have the greatest impact on overall tenant satisfaction. Importantly, the survey identified that the Councils' repairs service and the customer service provided by its staff are both particularly strong aspects of the Council's overall service. The high level of tenant satisfaction with these two key services underpins the unusually high level of overall satisfaction amongst Epping Forest District Council's tenants."*

Overall satisfaction with the housing service remains consistently high, decreasing very slightly from 85% in 2006 to 84% being satisfied in 2008, resulting in top quartile performance. It is considered that satisfaction levels would be even higher, if sheltered housing tenants had not, for the first time, been excluded from the survey, since such tenants are historically known to have high satisfaction levels.

At a more detailed level, 86% of tenants were satisfied with the repairs and maintenance service (12% above the peer group average of 74%). Impressively, the Council ranked a strong first in its peer group for all 6 aspects of the repairs and maintenance service measured.

In terms of quality of contact with the Council, as many as 12% more of the Council's tenants said that it was easy to get hold of the right person (compared to the peer group averages). Overall, 75% of the Council's tenants were satisfied with the final outcome of their contacts - 10% higher than the rest of the peer group.

In relation to tenant participation and consultation, 62% were satisfied that their views are being taken into account by the Council as their landlord. This is considered to be a very positive response, showing an improvement of 14% compared to responses to the 2006 survey.

#### **5.4 Customer Perspective Programme**

As a front line service, the provision of a high quality housing service to our customers that meets their needs, properly informs them of the service being received and provides them with sufficient information to make appropriate choices is essential.

In continuous pursuit of customer excellence, during 2010, the Housing Directorate completed its "Customer Perspective Programme", which looked at how the housing service is provided to customers (tenants, housing applicants and others) *from their perspective*. The Programme took over 2 years to complete.

A group was set up, and chaired by, the Director of Housing comprising staff from each of the sections in the Housing Directorate and the Chairman of the Tenants and Leaseholders Federation. The group considered

and analysed all aspects of “interfaces” that individual sections of the Housing Directorate have with customers, and considered where and how the service could be improved further. This was in relation to, for example, leaflets, forms and other information given to customers, procedures that they are expected to follow and policies that the Council operates.

Each meeting of the Customer Perspective Group concentrated on a specific aspect of front line Housing Services. In advance of the meeting, the Housing Manager responsible for the function being challenged was asked to circulate to the Group copies of documents given to customers. The Housing Manager then attended the meeting and explained all the various customer interfaces in relation to the Section’s work.

The Group then discussed with the representative any suggestions for improving the experience of customers. Agreed suggestions were then incorporated within a Customer Perspective Action Plan, comprising 118 separate actions.

**5.5 Investors in People**

Investors in People is a nationally recognised standard for employers, whereby an external assessor analyses the organisation’s:

- Approach to planning, ensuring that there are clear aims and objectives which are understood by everyone
- Commitment to developing its people, in order to achieve its aims and objectives
- Development of its staff
- Understanding of the impact its investment in people has on its performance

In 2002/3, the whole of the Council was first awarded “Investors in People” status, including the Housing Directorate. In 2005 and 2008, the “Investors in People” status was awarded for further three-year periods.

Due to the need to make budget reductions, the Council has made a corporate decision not to seek re-accreditation in 2011. However, the Council will continue with the same approach in respect of investing in people, and will use the majority of the savings from not undertaking the IIP re-accreditation process on increasing the Council’s investment in training and development of its staff.

**5.6 Project Management**

All special (i.e. non routine) housing projects are detailed in the Housing Directorate’s Special Projects Plan. This is a project management tool (currently using Microsoft Project software, but to be updated shortly using Microsoft Excel) that, for each project, sets out:

- The task
- The officer responsible
- The baseline period for commencement and completion of the task
- The latest anticipated completion date of the task
- The percentage of the task completed to date
- Critical paths and linkage with other task

Housing Managers provide information on progress with each project for which they are responsible on a quarterly basis. The Project Plan is then updated and reviewed at a quarterly Continuous Improvement Meetings with individual housing managers, the Director of Housing and the relevant Assistant Director.

A similar plan, the Annual Events Plan, details all activities that must be undertaken by the Housing Directorate on a periodic basis (eg annually, quarterly etc) and is also updated and monitored quarterly at the same meeting.

**5.7 Performance Indicators and 2011/12 Targets**

The Housing Directorate uses a range of performance indicators to monitor its performance. There are five main types:

National Indicators	Defined by the Government, that must be collected by all local authorities - There are 3 related to the Council’s HRA landlord services, which can be benchmarked against other local authorities.
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Local Indicators	Defined and monitored by the Council, as being key indicators related to the Council's business – There are 6 related to the Council's HRA landlord services
Key Performance Indicators (KPIs)	The combination of National Indicators and the Council's Local Indicators, which are reported to, and monitored by, the Council's Finance and Performance Management Scrutiny Panel each quarter
Tenant-Selected Indicators	Selected by the Tenants and Leaseholders Federation as being areas of performance considered important to tenants, they currently comprise 21 indicators. Performance against each of the Tenant-Selected Indicators is reported to the Tenants and Leaseholders Federation on a quarterly basis. Annual performance is reported in the Council's Annual Report to Tenants each September.
Management Indicators	Defined and monitored by the Director of Housing, as being indicators that provide important management information on the service, that are used to identify problem areas and the need for improvement – There are over 150 management indicators related to the Council's HRA landlord services alone

Appendix 5 sets out the 21 Tenant-Selected Indicators for 2011/12, as well the associated targets and performance (up to Quarter 3) for 2010/11.

## 6. Value for Money

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### 6.1 Corporate Approach to Value for Money and Use of Resources

Since early 2006, the Council has adopted a corporate approach to ensuring value for money in the delivery of its services.

The Audit Commission previously undertook an annual Use of Resources (UoR) Assessment, which evaluated how well councils manage and use their financial resources. The assessment focused on the importance of having sound and strategic financial management, to ensure that resources are available to support the Council's priorities and improve services, covering five themes. One of the five themes was "Value for Money" (VFM).

During 2010, the Government announced the immediate cessation of the Use of Resources Assessment. However, the Council is committed to achieving the best use of its resources and securing good value for money. Therefore, it has continued with a similar approach to that used prior to the cessation.

### 6.2 Corporate Value for Money Strategy and Value for Money Review

During 2010/11, the Council's Cabinet updated its corporate Value for Money Strategy, first produced in 2006. The Strategy's Policy Statement recognises the Council's responsibilities as a custodian of public funds to strive for value for money in the delivery of services.

It explains that the Council seeks to achieve, and where possible improve, value for money by ensuring that:

- Costs compare well with other local authorities, and where appropriate other sectors, allowing for external factors
- Costs are commensurate with service delivery, performance and outcomes achieved
- Costs reflect policy decisions
- Performance in relation to value for money is monitored and reviewed
- Improved value for money and efficiency gains are achieved
- Full long term costs are taken into account when making procurement and other spending decisions.

The strategy sets out the Council's approach to achieving these aims, together with the responsibilities of members and officers for the delivery of value for money.

In July 2008, the Council undertook a detailed Value for Money Review and concluded that, for the Council as a whole:

*“ Although there are examples of both good and poor performance at individual service level, overall, both EFDC’s performance and rate of performance - compared with other local authorities - is average.”*

In terms of its focus for VFM in the future, the Council concluded that:

- Although the Council’s net costs are comparatively high (using the Audit Commission’s VFM Profiles Tool) there is no need to reduce the Council’s overall costs, but
- There is a need to improve the Council’s overall performance and the performance in specific areas.

Therefore, the Council concluded that although it will continue to seek and implement efficiency gains - and reduce costs at service levels where possible - rather than reduce costs, it will then continue to re-invest the savings, in a targeted way, to help improve performance further.

### **6.3 Performance Management and Continuous Improvement Meetings**

In order to ensure that clients are receiving good levels of service, and to identify any deteriorating performance at an early stage so that actions can be put in place to remedy emerging problems, it is essential to have effective systems to monitor performance. The Council therefore has a corporate Performance Management Framework.

The Housing Directorate also has its own Performance Management System, that complements the corporate framework, to monitor key areas of performance throughout the year. Under the regime, performance indicators are collected and collated on a quarterly basis (sometimes more frequently),

Performance against National Indicators and Local Indicators (referred to as “Key Performance Indicators”) are then monitored quarterly by the Council’s Finance and Performance Management Scrutiny Panel.

Formal, individual, Continuous Improvement Meetings are held at the end of each quarter, between the Director of Housing, the relevant Asst Director of Housing and each of the Housing Managers responsible for the area of activity. Actual quarterly performance is then compared with the targets for the year and areas of under-performance are identified and discussed with the Housing Manager, with an action plan agreed to improve performance in the following quarter.

As well as housing performance, Continuous Improvement Meetings also monitor and review:

- Telephone answering response times for each section
- Complaints statistics and trends for each section
- The outcome of any benchmarking exercises completed in the previous quarter
- Progress with any required actions identified through ISO 9001:2008 internal audits
- Progress with any required actions identified through any reports by the Council’s Internal Audit Section
- Identification of more efficient ways of working, progress with the implementation of previously identified efficiencies and the monitoring of efficiency savings (both actual and forecast)
- Progress with cyclical tasks identified within the Housing Annual Events Plan
- Progress with tasks identified within the Housing Special Projects Plan

### **6.4 Benchmarking Housing Performance and Costs**

The Council places great importance on benchmarking its housing performance and costs against other housing providers (both councils and registered social landlords). It benchmarks in two main ways.

#### *Annual Value for Money Review*

Each year, the Council compares its performance and costs for all of its main service areas with other groups of local authorities, namely others in the Council’s “Nearest Neighbours” Group and other local authorities in Essex, using the Audit Commission’s VFM Profile Tool. A Review Report is produced, which sets out:

- The Council's performance or cost for the indicator
- The Council's ranking, for each performance or cost indicator, compared to the other councils
- Details of the best performing authority
- A commentary from the relevant Service Director on each performance and cost indicator, including any proposed action to improve performance or reduce costs.

The Review is reported to the Council's Finance and Performance Management Scrutiny Panel, which considers the relative performance and costs, as well as the Service Director's Commentary, and identifies any further action required – which may include a service review.

### *Housemark*

The Council has been a member of "Housemark" for a number of years. Housemark is a national housing benchmarking organisation, which enables housing organisations to submit detailed information on their performance and costs, and then to compare these with other housing organisations nationally.

Housemark enables member organisations to compare themselves with user-defined data sets. For example, the Council can compare itself with all housing organisations nationally; all district councils; all local authorities; or all housing associations. Housemark can also define the locations (by regions) of those organisations to be included within the comparison, and can restrict the comparison to housing organisations of more or less than a defined number of properties.

In 2010, all the required performance and cost data for the Housing Directorate relating to 2009/10 was uploaded to the Housemark website. This data was then verified by Housemark. Unfortunately, at the time of writing, Housemark had not produced its annual Benchmarking Report for the Council in respect of its costs and performance in 2009/10.

Therefore, for illustrative and comparative purposes, this section sets out the findings from the Housemark Benchmarking Report for 2008/9, produced in February 2010. This report compared the Council to 37 other stock-retained councils across England.

In addition, and in recognition of the expectation of the Tenant Services Authority (TSA) that landlords should benchmark on a cross-sectoral basis, Housemark also provided a cross-sector comparison with 273 other landlords, using the wealth of data that Housemark collects for:

- Local authority landlords
- Arms length management organisations (ALMOs)
- "Traditional" housing associations; and
- Stock transfer housing associations (LSVTs)

In addition to the detailed benchmarking information, Housemark also provided a helpful Value for Money (VFM) Summary. The VFM Summary is organised in a way to illustrate how the Council's performance – in terms of cost and quality - compares with other stock-retained local authorities, in respect of the four specific service areas of the TSA's proposed National Standards, covering:

- Tenant Involvement and Empowerment
- Home
- Tenancy
- Neighbourhood and Community

The VFM Summary places the Council's performance within one of the four quartiles, as follows:

- |                                  |                                  |
|----------------------------------|----------------------------------|
| • Best quartile                  | Within the best 25% of councils  |
| • 2 <sup>nd</sup> Best Quartile  | Within the best 50% of councils  |
| • 2 <sup>nd</sup> Worst Quartile | Within the worst 50% of councils |
| • Worst Quartile                 | Within the worst 25% of councils |

Housemark's VFM Summary for the Council is reproduced on the next page:



**HouseMark Value for Money Benchmarking Summary – 2008/9  
(Produced January 2010)**

TSA Standard	Cost KPI	EFDC's Cost KPI Quartile	Quality KPI	EFDC's Quality KPI Quartile
Tenant Involvement and Empowerment	Direct cost per property of Resident Involvement	Best Quartile	Percentage of tenants satisfied that views are being taken into account	Best Quartile
			Percentage of respondents who felt staff were able to deal with their problem	Best Quartile
			Percentage of tenants satisfied with complaints handling	No Data
Home	Direct cost per property of Responsive Repairs & Void Works	Best Quartile	Percentage of tenants satisfied with the repairs and maintenance service	Best Quartile
			Repairs completed 'right first time'	No Data
	Direct cost per property of Major Works & Cyclical Maintenance	Best Quartile	Percentage of tenants satisfied with overall quality of home	Best Quartile
			Percentage of dwellings failing to meet the Decent Home Standard	Best Quartile
Tenancy (Including Allocations, Rents & Tenure)	Direct cost per property of Housing Management	Best Quartile	Average time in days to re-let empty properties	Worst Quartile
			Percentage of tenants satisfied with overall service provided	2 <sup>nd</sup> Best Quartile
			Current tenant rent arrears as % of rent due	2 <sup>nd</sup> Best Quartile
Neighbourhood and Community	Direct costs per property of Estate Services	Worst Quartile	Percentage of tenants satisfied with their neighbourhood as a place to live	Best Quartile
	Direct costs per case of Anti-Social behaviour	No Data	Percentage of respondents satisfied with anti-social behaviour case handling	No Data

The quartile performance, in respect of those cost and quality indicators for which the Council had data, can be summarised as follows:

Summary of EFDC's Quartile Placement KPIs - Cost & Quality		
Quartile	Cost KPIs	Quality KPIs
Best	4	6
2 <sup>nd</sup> Best	-	2
2 <sup>nd</sup> Worst	-	-
Worst	1	1

### 6.5 Housing Value for Money Strategy and Achieving Efficiencies

Although the Council's Housing Service is covered by the Council's Corporate Value for Money Strategy, it has been recognised that it would be helpful for the Housing Directorate to formulate a Housing Value for Money Strategy, setting out the Directorate's approach to achieving Value for Money, and its initiatives for achieving efficiency savings on a continuous basis. It is planned to publish a Housing Value for Money Strategy in 2011/12.

At the quarterly Continuous Improvement Meetings held between the Director of Housing, Asst Directors of Housing and individual housing managers (referred to in Section 6.3 above), initiatives for achieving efficiency savings are identified, monitored and calculated.

For the 4-year period 2004/5-2007/8, the Housing Directorate made cumulative efficiency savings of around £1.15m.

For the 3-year period 2009/10 – 2011/12, it is forecast that further cumulative efficiency savings of over 3m will be achieved.

## **7. Diversity & Equality in the Provision of Housing Services**

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### **7.1 Corporate Approach to Diversity and Equality**

The Council is sensitive to the needs of the diverse communities that it serves, and is committed to provide facilities and services that are free from unlawful discrimination. The Council recognises its position as a large provider of services and employer in the District and its particular role in the community. It is committed to providing services to the community that reflect the needs and diversity of all its customers and service users. The Council recognises that discrimination in society exists and seek to provide services fairly to all.

The Council promotes equality of provision in Council services, provided either directly by the Council, its contractors, partners or related agencies

Additionally, many individual services produce their own service equality statements, giving details of how their services comply with equal opportunities best practice.

The Council has therefore adopted an Equality Policy covering the six main characteristics of diversity.

### **7.2 The Council's Approach to the Equality Framework for Local Government**

The Council's progress in delivering equality of opportunity is assessed against the Equality Framework for Local Government (EFLG). The EFLG was introduced from 1 April 2009, and replaced the previous Equality Standard for Local Government, which provided a framework for delivering continuous improvement in relation to fair employment outcomes and equal access to services. The new Equality Framework aims to respond to real equality outcomes and the new challenges that face local authorities. The EFLG is based on three levels of achievement:

- Level 1 – 'Developing' (equivalent to Levels 1 and 2 of the former Equality Standard);
- Level 2 – 'Achieving' (equivalent to Levels 3 of the former Equality Standard); and
- Level 3 – 'Excellent' (equivalent to Levels 4 and 5 of the former Equality Standard).

There are five performance areas within the EFLG, all of which need to be achieved within each of the three levels:

- (a) Knowledge of communities and equality mapping;
- (b) Place-shaping, leadership, partnership and organisational commitment;
- (c) Community engagement and satisfaction;
- (d) Responsive service and customer care; and
- (e) A modern and diverse workforce.

The Council has set a corporate target to achieve Level 2 ('Achieving') of the EFLG.

### **7.3 The Equality Framework and Peer Challenge Against the Equality Framework.**

The Equality Framework for Local Government was introduced from 1 April 2009, and replaced the previous Equality Standard for Local Government, which provided a framework for delivering continuous improvement

in relation to fair employment outcomes and equal access to services. The former Standard assessed local authority performance at five levels, where Level 5 was the highest. The Council's self-assessed performance against the former Equality Standard at the end of 2008/09, was Level 2.

The new Framework uses a wider definition of equality, based on the idea of equal life chances: "An equal society protects and promotes equal, real freedom and opportunity to live in the way people value and would choose, so that everyone can flourish. An equal society recognises people's different needs, situations and goals, and removes the barriers that limit what people can do and be." The Equality Framework assesses local authority performance at three levels, where Level 3 is the highest:

- Level 1 – 'Developing' (equivalent to Levels 1 and 2 of the former Equality Standard);
- Level 2 – 'Achieving' (equivalent to Levels 3 of the former Equality Standard); and
- Level 3 – 'Excellent' (equivalent to Levels 4 and 5 of the former Equality Standard);

The Council set a target to achieve Level 2 ('Achieving') of the Equality Framework by the end of 2010/11, performance against which is measured by a Local Performance Indicator (LPI01).

While performance against Levels 1 and 2 of the Equality Framework are determined by self-assessment measure, the achievement of Level 3 is subject to external assessment through a formal Diversity Peer Challenge process. Local authorities that self-assess performance at the 'Achieving' level will, in any event, also be subject to external challenge on a three-yearly cycle.

An informal equality and diversity peer challenge was carried out in March 2010. As a result of this the authority's base-line position was established and a Regulatory Framework Action Plan developed, identifying appropriate actions to take the Council forward against the Framework. Progress against the Action Plan is monitored by the Corporate Equalities Working Group, which is chaired by the Acting Chief Executive and includes a 'Champion' from each Directorate including Housing. At the present time, not all of the actions contained in the Action Plan have been completed. In addition, the Council has decided not to undertake a formal Peer Review at this time as this would not be a good use of public money in the current economic environment. However, the Council will continue to work towards the 'Achieving' level and self reassess in early 2011/12.

#### **7.4 The Housing Directorate's Approach to Diversity and Equality**

In pursuance of this corporate commitment, the Council has formulated and adopted two relevant housing service strategies relating to diversity and equality:

- Housing Service Strategy on Diversity and Equality
- Housing Service Strategy on Harassment

The Service Strategy on Diversity and Equality sets out the Housing Directorate's approach to promoting equality and diversity in line with the Council's corporate equality schemes and its statutory duties as a public authority to promote equality. This includes actions designed to:

- Eliminate unlawful discrimination and promote equality of opportunity
- Recognise and value the needs and contributions of individuals and identifiable groups within the wider community served by the Council
- Ensure that everyone who needs housing advice and services is fully able to access them
- Promote understanding and tolerance of different cultures and good relations within the communities served by the Council.

Progress with the action plan is regularly monitored. In addition, Customer Impact Assessments have been produced in respect of the following housing-related services, which also include action plans:

- Housing Strategy and Development
- Housing Information and Tenant Participation
- Housing Needs
- Housing Management
- Housing Repairs and Maintenance
- Older People's Housing Services

Equality Impact Assessments are also produced as part of any proposed major policy changes considered by the Cabinet.

The Council has introduced a "Hate Management Panel" comprising representatives of the Police, Social Care and the Council, which oversees and develops policy relating to the management of hate incidents (eg racial and homophobic harassment), and meets on a regular basis to discuss reported hate incidents, and to agree and monitor an action plan for each case.

### 7.5 Diversity Profile of the Council's Tenants

In 2008/9, the Housing Directorate undertook a full Census of all its tenants, in order to obtain data on household composition and other information. Part of the Census collected data on a variety of equality and diversity information.

A total of 3,808 returns were received from the 6,552 households occupying Council properties at the time, representing a good response rate of 58%. The returns gave equalities data on 4,607 tenants and other occupants of the Council's properties.

The following provides a summary of the returns, giving a good indication of the overall profile of the occupants of the Council's properties:

<i>Gender</i>	60% of occupants are female; 40% are male
<i>Disability</i>	1,081 occupants (23%) consider that they have some sort of disability
<i>Hearing Problems</i>	30 occupants (0.6%) have a hearing problem; 5 occupants read sign language and 25 lip read
<i>Sight Problems</i>	216 occupants (4.7%) have a sight problem; 1 occupant reads Braille, 209 occupants (4.5%) would prefer to read documents in large print, and 6 occupants would welcome information provide in an audio form
<i>Ethnicity</i>	4,293 occupants (96%) of those who state their ethnicity are White British. The next highest ethnic group are White Irish, Asian and other White races (2.6%)
<i>English not 1<sup>st</sup> language</i>	28 occupants (0.6%) do not have English as their first language. The 2 <sup>nd</sup> most common first language after English is Turkish, which is spoken as a first language by 8 occupants (0.17%). Seven other languages are the first language of the 20 remaining occupants (0.43%) who do not have English as their first language.

The Council recognises that the data collected does not cover the six characteristics of diversity covered by the Equalities Act, enacted in 2010. It is therefore intended to undertake a full 100% postal survey of all the Council's tenants and occupants within the next 2 years.

### 7.6 Ethnicity of the Council's Housing Applicants and Applicants Accommodated

Part of the Council's Policy Statement for Equal Opportunities in the Provision of Housing Services includes a requirement for an annual review of the ethnicity of applicants on the Housing Register, compared with the ethnicity of those allocated accommodation. The reason for the review is to identify whether or not there are any indications to suggest the Council may be discriminating against any one ethnic group. The annual review is undertaken by the Housing Scrutiny Panel, and was last undertaken in July 2010.

The breakdown of the ethnic origin of applicants on the Housing Register for both and 2008/9 and 2009/10 is set out below:

<b>Ethnic Origin of Housing Applicants</b>		
<b>Ethnic Group</b>	<b>2009/10 (%)</b>	<b>2008/09 (%)</b>
White British/Irish	79.0	78.0
Bangladesh/Pakistan/India	0.7	0.8
African/Caribbean	3.2	3.0
Mixed Race	1.2	1.2

Other	4.4	5.0
Not Stated	11.5	12.0

The breakdown of the ethnic origin of Housing Register applicants allocated Council accommodation in 2007/8 and 2008/9 is set out below:

<b>Ethnic Origin of Housing Applicants Accommodated</b>		
<b>Ethnic Group</b>	<b>2009/10 (%)</b>	<b>2008/09 (%)</b>
White British/Irish	76.4	82.0
Bangladesh/Pakistan/India	0.9	0.2
African/Caribbean	2.2	1.0
Mixed Race	0.6	0.8
Other	4.6	3.0
Not Stated	15.3	13.0

On review, the Housing Scrutiny Panel concluded that, generally, the data confirms that the ethnicity of applicants allocated Council accommodation is similar to the ethnicity of those applicants on the Housing Register. It also concluded that, although a large number of housing applicants chose not to disclose their ethnicity, it is evident that the ethnicity of applicants on the Housing Register generally mirrors the allocation of vacancies and that the Council can be reasonably confident that its Allocations Scheme does not racially discriminate, either directly or indirectly. As a result, the Scrutiny Panel concluded that that no adjustments to the Allocations Scheme were required to avoid direct or indirect racial discrimination.

## 8. Rents Strategy

### 8.1 Background

The Government has previously determined that rent setting by local authorities and RSLs be based on a common system based on relative property values and local earnings; rents should move towards comparable rents using an approach which could be readily and easily understood. In March 2001 the Government issued the *Guide to Social Rent Reforms* which set out how the reforms would be achieved and detailing a standard methodology (or formula) for use by both RSLs and local authorities for the calculation of rents.

The basis of the formula is as follows:

- 30% of a property's rent should be based on relative property values compared to national property values;
- 70% of a property's rent should be based on relative local earnings compared to national earnings;
- a bedroom factor so that, all other things being equal, smaller properties have lower rents.

The formula also takes account of national average Council and RSL rent levels and produces a target rent for each property, which local authorities originally had to seek to achieve by a specified date. However, this date has been changed by the Government on a number of occasions.

Under the rent reforms, the Government has also stated that local authority rent guidelines should rise by no more than 1% per annum in real terms, meaning that the target rent for each property will increase in line with the average for the local authority sector. However, no tenant should be subject to a change in their rent as a result of the combined influence of restructuring and convergence of more, or less, than £2 a week in any year above the normal increase for inflation.

### 8.2 Valuation

The relative property values are based on 'existing use value'. The valuation base was set at January 1999. The Valuation Office, on behalf of the Council, valued 198 separate "beacon properties" (many of which were

used for the resource account valuation) for this rent restructuring exercise. Each beacon property is an example of a main property type owned by the Council in each of the main towns and villages and are representative of the total housing stock. These valuations were then used for all the other similar properties sharing the same characteristics and location.

These valuations are not revisited, unless an individual property's characteristics have considerably changed.

### **8.3 Implementation**

The Council introduced its Rents Strategy, to implement the rent restructuring requirements, from April 2003, at the same time as introducing separate service charges and support charges (see below).

### **8.4 Strategic Approach**

When the Council first introduced its Rents Strategy, there were various options open to the Council in terms of achieving the implementation of target rents. However, the Council was mindful that rent restructuring would increase rents for the majority of tenants in real terms. Therefore, it was considered that the fairest way forward would be to implement rent changes by equal amounts over the remaining convergence period. This applies to both rent increases and rent reductions.

### **8.5 Service Charges**

Target rents (and therefore the actual restructured rents) can only take into account all property related services and those services that may relate to a group of dwellings. Examples of services covered by target rents include:

- Repairs and maintenance
- Publicity and consultation
- Management of properties
- Administration of rents

Examples of services not covered include:

- Grounds maintenance
- Lighting of communal areas
- Cleaning of communal areas
- Supporting people costs

The other services not covered by rent restructuring are subject to further Government guidance on their treatment. This guidance advocates the separation of service charges from rents, to enable a more transparent charging regime for tenants. Although not compulsory, the Council has followed the guidance and a number of years ago separated out the costs of services relating to non-property related services for all its blocks of flats, and applied separate service charges to tenants. Under the Government's guidance, service charges cannot be increased by more than RPI + ½%.

### **8.6 Support Charges**

From April 2003, following the introduction of the Government's Supporting People programme, the Council has separated out from its rents the revenue costs of providing supported housing (e.g. sheltered housing) and made a separate support charge. Under the Supporting People arrangements, the Council receives reimbursement for these charges, for all tenants in receipt of housing benefit, from Essex County Council as the Supporting People Administering Authority. Tenants not in receipt of housing benefit must pay the charge themselves, although the Council will meet the cost of "transitional protection" in perpetuity for tenants in occupation prior to 1 March 2003, which amounts to the difference between the former "scheme manager charge" tenants were paying prior to introduction of supporting people and the new support charge.

Due to real term reductions in the amount of grant that the Essex Supporting People Team has received from the Government for a number of years, the amount of supporting people grant provided to supported housing providers in Essex (including this Council) has, generally, been less than the actual cost of the service.

# 9. Housing Stock Option Appraisals

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## 9.1 Introduction

In the past, successive Governments have required all stock-holding local authorities to carefully consider the options open to them for increasing investment in, and improving the quality of, their housing stock, including the possibility of a large scale voluntary transfer (LSVT) of their stock to an RSL, or the formation of an arms length management organisation (ALMO). Such a transfer would have to be with the consent of the majority of tenants.

Although this approach is no longer pursued by the Government, it is important that the Council keeps such options under review. As part of this process, it is considered useful to set out in this Chapter the numerous and detailed considerations that the Council has undertaken in the past with regard to options appraisals.

## 9.2 Housing Stock Options Appraisal 2002/4

In 2002, the Council appointed Beha Williams Norman Ltd (BWNL), specialist housing consultants, to undertake a detailed Housing Stock Options Appraisal. The Options Appraisal was undertaken in two initial stages, as set out below, followed by a third stage of further tenant consultation.

The Housing Stock Options Appraisal 2002/4 considered five main options:

- Large scale stock transfer (LSVT)
- The formation of an arms length management company
- Use of the private finance initiative
- Securitisation (a private sector financing technique which involves the sale of the future rental income in return for finance)
- Retention of the stock

The Council was committed to ensuring that tenants were involved with the appraisal process. Therefore, the Tenants and Leaseholders Federation were fully involved from the outset (including the appointment of consultant). In the first instance, BWNL were asked to undertake a two-stage approach to the Options Appraisal, as set out below, in an attempt to enable a clear picture to emerge not only of the financial effects, but also of the attitudes of tenants and members to the alternative options:

*Stage 1* A detailed financial appraisal of the options, which included an indicative valuation of the stock based on cash flow forecasts, stock condition and “catch up repairs”, and an analysis of each of the options.

*Stage 2* (a) Postal surveys of all the Council’s tenants and leaseholders, seeking their views on whether they would be interested in considering (without commitment) any of the alternative options to stock retention. This included examples of what benefits could result, and balanced information on the main issues to consider; and

(b) A survey of members to gauge their informal views on the issues.

## 9.3 Findings and Conclusions of the Initial Stock Options Report (Stages 1 and 2)

BWNL's Initial Report was completed at the end of 2002 and provided a detailed financial appraisal of the options (Stage 1), together with the results of the Stage 2 Tenants and Leaseholders Attitudes Survey. The report also provided detailed conclusions and findings. In summary, at that time, BWNL concluded that although the Council could meet the decent homes standard, it was unlikely to have sufficient resources to be able to bring all of its housing stock into a fully maintained condition in the foreseeable future, and that stock transfer was probably the best financial option. However, the results of the Stage 2 Tenants and Leaseholders Attitude Survey showed a clear preference for the Council to retain its housing stock. Therefore, BWNL recommended that a further in depth consultation exercise should be undertaken with a selection of tenants to explain the issues relating to stock retention and stock transfer in more detail, and to gauge their subsequent views, through the appointment of an Independent Tenant Adviser (ITA) familiar with this type of exercise. This was agreed by both the Council and the Tenants and Leaseholders Federation,

Insights were therefore appointed as Independent Tenant Adviser, in consultation with the Tenants and Leaseholders Federation, and undertook the further consultation during 2003 in a number of different ways.

#### **9.4 Summary of the Findings of the Further Tenant Consultation by Insights**

The report from Insights on their further consultation was received in February 2004. Their main findings were as follows:

- The most important issue for tenants was keeping rents affordable
- The majority of tenants rated the services as "good" and expressed satisfaction with the Council
- Many tenants expressed a view that they were strongly against any change of landlord.
- Tenants wished the Council to follow the stock retention option.
- Tenants felt they had already told the Council their views and wished the Council to stop asking the same questions

#### **9.5 Update Report by BWNL**

In view of the Council's decision to undertake the further consultation of tenants before reaching a decision on the preferred option, BWNL were re-appointed to undertake a further appraisal of the options and produce an "Update Report", taking into account the developments that had occurred over the previous year, both at the national and local level. In particular, BWNL appraised the following developments that had occurred since their Initial Report.

- The Government's policy document, "Sustainable Communities: Building for the Future"
- The effects of the Government changes to the local authority housing capital finance regime.
- The implications of the Government's changes to the housing subsidy system and, in particular, the effect of the new way in which management and maintenance allowances are calculated.
- The effects of the Council's debt free status.

BWNL's main conclusions were as follows:

- The Council, under current arrangements, can meet the Government's Decent Homes Target .
- With the additional resources through the new management & maintenance allowances for Housing Revenue Account (HRA) Subsidy (£1.7m per annum), the HRA can sustain itself for the short to medium term future and allow contributions of some £15 million to be made towards capital programmes over the next 20 years.
- The level of resources available for investment in the housing stock has also changed as a result of the Council becoming debt-free (an additional £8.6m over the next three years). Nevertheless, a shortfall of some £12 million remains in the level of resources needed to meet the full investment programme over the next 10 years.
- Since the Council has resources to achieve investment levels well above the basic Decent Homes Standard, it is doubtful whether bids for either the ALMO or PFI programmes could be justified.
- Stock transfer continues to offer some very real benefits
- However, the case from the existing tenants perspective is less convincing and, based on the consultation carried out so far, it is very doubtful that tenants would support a stock transfer proposal.

BWNL therefore recommended that the Council should continue with the existing arrangements for management and ownership of the housing stock, at least for the time being, but review the situation in the light of any further developments in Government housing policy or local circumstances, and in any event in five years time.

#### **9.6 Council Decision on the Preferred Option**

The Tenants and Leaseholders Federation considered the findings and recommendations of the two consultants' reports and recommended to the Council that the housing stock should be retained. The Options Appraisal and the views of the Federation were considered by one of the Council's Overview and



Scrutiny Committees on the 4 March 2004, when the Committee agreed to recommend the stock retention option to the Cabinet in April 2004. The Cabinet agreed with the Overview & Scrutiny Committee's recommendation

The Council's Stock Options Appraisal was signed-off in September 2004.

### **9.7 Small Scale Voluntary Transfers**

It is clearly important that the Major Repairs Allowance and other available resources are invested to produce optimum benefit. One consideration is whether or not it would be more cost effective to improve small, distinct, groups of properties through a small-scale voluntary stock transfer to another landlord.

Separate from LSVT, the Council has successfully undertaken four small scale transfers over the years. The first at Green Close, Epping Green and Pancroft / The Mead, Abridge in the 1990's, enabled two former sites of PRC properties to be redeveloped by housing associations.

In 2004 and 2006 the Council transferred two of its sheltered housing schemes (Robert Daniels Court, Theydon Bois and Wickfields, Chigwell) to Home Group.RSLs. The most recent stock transfers have been of sheltered housing schemes. Both sheltered schemes comprised predominantly bedsits, which had become difficult to let (with vacancies in some cases in excess of a year) since they no longer met the needs and aspirations of the latest generation of older elderly people. Moreover, since the older residents had combined bedrooms/lounges and had to share communal bathroom facilities, the quality of accommodation was not as high as that provided at other Council sheltered schemes.

The two stock transfers enabled major improvement schemes to be undertaken, including the conversion of bedsits into self contained flats and, in the case of Robert Daniels Court, an extension of nine flats.

## **10. Risk Management**

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### **10.1 Introduction**

Risk management can be defined as the consideration of the social, economic, political and other factors involved in risk analysis, to determine both the acceptability of damage that could result from an event or exposure and what action, if any, should be taken to minimise the risk of that damage.

### **10.2 Corporate Risk Register**

A corporate Risk Management & Assurance Group has been established, made up of officers from each Council Service, to produce and regularly review a Corporate Risk Register, and to collate service based risk assessments. The Asst Director of Housing (Private Sector & Resources) is the representative of the Housing Directorate on the Group. The Corporate Risk Register is also periodically reviewed by the Council's Finance and Performance Management Cabinet Committee.

### **10.3 Housing Risk Register**

In 2005, the Housing Directorate produced its first Housing Risk Register, which is updated annually and identifies the strategic and operational risks affecting the Housing Directorate. Strategic risks are those that have an effect on the Council as a whole, where individuals, sections or even the whole of the Housing Directorate have no total control over the outcome of risk management. Operational risks are those that affect individuals or sections of the Housing Directorate, or the Housing Directorate as a whole, and will have little or no impact on other services of the Council. The Housing Risk Register is reviewed and updated annually.

Within the Housing Directorate, all managers have responsibility and accountability for identifying, assessing and managing the risks that threaten their own area of activity.

Information is provided in the Housing Risk Register on the following for each risk:

**Vulnerability**                      A description of why and how the Housing Directorate is vulnerable to the risk

**Trigger** The identification of what occurrence(s) may set off the risk. There may be more than one trigger for each risk.

**Consequence** An assessment of the consequences if the risk is triggered, which may include multiple consequences. Some consequences may be local or operational, some may be strategic.

**Action Plan** Details of what actions are, or need to be, taken in order to minimise the risk.

Risk management is applied to each of the identified risks, through exploring the best options to reduce either likelihood or impact or both. Not all risks can be reduced, but they can be managed. Any new actions than need to be taken are included within the Housing Special Projects Plan. Periodic actions are included within the Housing Annual Events Plan (See Section 8.4)

The main risks within the Housing Risk Register are included within the Council's Corporate Risk Register.

#### 10.4 Key Housing Operational Risks and Housing Risk Matrix

The Housing Risk Register identifies 10 **Key Housing Operational Risks** and a further 13 other housing operational risks. For each risk, the entry in the Risk Register provides information on:

- A description of the risk (vulnerability)
- Identification of the trigger(s) that are the most likely to result in the risk arising
- The consequence of the risk
- The actions taken / to be taken to minimise the risk
- The responsible officer
- The assessment of the degree of risk, in terms of likelihood and impact

The risk assessment makes the following judgements in terms of likelihood and impact:

**Likelihood:**

- A - Very High
- B - High
- C - Significant

**Impact**

- D - Low
- E - Very Low
- F - Almost Impossible
- 1 - Catastrophic
- 2 - Critical
- 3 - Marginal
- 4 - Negligible

A summary of the Key Housing Operational Risks, showing the current risk assessment, is given below,.

Key Housing Operational Risks 2011/12		
No.	Current Risk Score	Vulnerability / Risk
1	2D	That the HRA goes into deficit.
2	2D	Lack of suitable temporary accommodation for residents of sheltered schemes and Norway House in the event of an incident.
3	2D	Some services are delivered through decentralised offices.
4	2C	All day-to-day management of the Housing Service is recorded and monitored on the OHMS database, which is provided through one supplier (Northgate) and interfaces with other Council IT systems (e.g. Academy).
5	3D	Some services are provided by contractors and consultants working on the Council's behalf using a variety of forms of contract, sometimes with non-standard conditions inserted.

6	2E	The Council has a duty of care to the health and safety and welfare of staff, tenants and contractors.
7	3E	The Careline Service is provided via the Piper Network Controller (PNC), which is provided by one supplier – Tunstall Telecom.
8	2D	Alarm systems are located in residents' homes where the Council has no control over their security and integrity.
9	2E	Rent, council tax payments etc. are made at cash desks in Broadway Housing Office and Civic Offices.
10	2C	Officers and contractors meet with the public, both in interview rooms and at service users' homes.

In the Risk Register, these risk assessments have been plotted within a Risk Matrix. Those risks with a high likelihood and/or impact will have further scrutiny and action.

### 10.5 Housing Business Continuity Plan

As part of the Housing Directorate' approach to risk management, a Housing Business Continuity Plan has been produced, which complements the Council's Corporate Business Continuity Plan. This sets out in detail:

- Roles and responsibilities of senior staff with corporate management responsibility, and individual service areas
- Working practices by individual service area
- Anticipated threats to service delivery, including the full or partial loss of staff, accommodation, ICT facilities and paper records for each of the sections within the Housing Directorate
- The approach to be taken in the event of a flu pandemic
- Ways of minimising the threat/risk
- Disaster recovery and priorities - service-wide and for each section
- Initial actions to be taken within the first week following a disaster

### 10.6 Housing Emergency Plan

Separate from the Housing Business Continuity Plan (which considers the way the Housing Directorate will respond to a disaster affecting the Council as an organisation), a Housing Emergency Plan has been produced, which complements the Council's main Emergency Plan, and prescribes the Housing Directorate's arrangements for preparing for, and dealing with, housing-related emergencies that affect the local community. The Housing Emergency Plan also provides essential information that is likely to be required by housing staff in the event of emergencies.

The Housing Emergency Plan covers both minor emergencies out of office hours and major emergencies in or out of office hours. A major emergency is defined as any circumstance where the lives or safety of the public, or their property, may be considered to be endangered by any incident of such magnitude as to be beyond the normal resources of the emergency services, and requires the additional manpower of the District Council. An out of hours minor emergency is defined as an event that cannot wait to be dealt with until the following working day.

The main types of emergencies that may occur and needing a response by the Housing Directorate are:

- Major Emergencies
- Homelessness
- Careline faults
- Minor housing maintenance
- Evacuation / Re-housing
- Severe weather and associated repairs

In the event of a major emergency, the Council's Emergency Response Team (ERT) will be activated. The Director and two Assistant Directors of Housing are the representatives for the Housing Directorate on the ERT. They will provide the link between the ERT and housing staff dealing with the emergency and will normally be based at the Emergency Control Centre in the Civic Offices. The Asst Director of Housing (Operations) will normally lead on the establishment and operation of a rest centre.

# 11. Financial Plan

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## 11.1 Introduction

The Council's consultants, ConsultCIH, have prepared the Financial Plan on behalf of the Council, which has been based on the probable outturn for the HRA for 2010/11, and the proposed budgets for 2011/12.

The Government issued, on 1<sup>st</sup> February 2011, its proposals to reform the HRA with the withdrawal of the housing subsidy system which builds upon previous rounds of consultation for HRA reform. It forms part of the Decentralisation and Localism Bill, which should receive Royal Assent in the autumn, securing the reform of the HRA from April 2012.

This Financial Plan seeks to identify the financial position under both scenarios for pure comparison, although it should be acknowledged that self-financing will be introduced in April 2012. The Plan also sets out the next steps that the Council will undertake to prepare for self-financing.

## 11.2 The Proposed Change from the Housing Subsidy System to Self Financing

The Government has announced that it will completely change the way that Council housing is funded. For many years, the Government has operated a Housing Subsidy System. This is generally accepted to be a complicated and unfair system, which is why the system is being reformed by the Government.

In simple terms, under the Housing Subsidy System, the Government assesses each year how much each council needs to spend on its housing service over the next year. It then calculates how much each council will receive from rents, assuming a "Government Guideline Rent Increase". If this results in a deficit, it pays a subsidy to the council. However, if it results in a surplus, the Government requires a payment *from* the council. This is called "negative subsidy". Next year, the Council will pay around £11.3 million to the Government, funded from tenants' rents.

The Government has stated that, from April 2012, it will introduce a new funding system called "self-financing". Under this system, the Government has assessed how much financial support each council needs to run its housing service over the next 30 years; this is the difference between the assumed cost of running the housing service and the expected income from rents.

The Government has then compared this amount to how much housing debt each council has accrued. Housing debts are due to a council borrowing in the past to fund new Council house-building or major repairs and improvements. The Government has then added together the amount of financial support each council needs to the amount of debt (if any) that each council has accrued. The Government will then pay this amount to those councils it thinks it needs financial help, which will enable them to pay off their housing debt.

However, if the amount of financial support the Government thinks a council needs is less than its housing debt, the council must make a payment to the Government for the difference. These councils will need to take out a loan to fund the payment to the Government, which they will repay over a number of years from tenants' rents.

For the Council, the Government has assessed that there will be a surplus of income from tenants' rents over the next 30 years, after taking into account the assumed costs of running the Council's housing service. In addition, the Council does not currently have any housing debt. Therefore, the Government has assessed that the Council must make a payment of around £180 million to the Government in April 2012.

## 11.3 Executive Summary

The latest review of the Financial Plan is based primarily on the Council's financial position under the new self-financing regime proposals for HRA reform. This has established that, with implementation due in April 2012, and a debt allocation to the Council of £180m, the HRA remains viable in all contexts - and demonstrates that complete debt repayment could be made within 17 years, based on the assumptions contained within this Financial Plan.

An indicative cash flow is shown at Appendix 6. However, it is emphasised that this is provided for illustration purposes only, since the detailed consideration of the Council's treasury management of the HRA

over the next 12 months is likely to have a major effect on the actual cash flow, over the life of the Financial Plan.

For comparison purposes, the Plan has also been modelled separately - based on the position if the subsidy position were to remain; this demonstrates that the HRA would only be viable for 9 years, taking account of the transfer of commercial properties from the HRA to the General Fund from April 2011 and based on a reduced investment programme compared to previous projections.

The Financial Plan will be developed further through the year, with greater analysis of the housing stock's demands above those assumed within the Plan, in order to inform a future strategy to prepare for the implementation of self-financing and any accounting amendments.

#### 11.4 Underlying Assumptions

A high level HRA Business Plan model has been produced, commencing from 2011/12 and based on the existing budget, with the following key assumptions:

- It is balanced to the 2011/12 HRA budget and the 2011/12 - 2014/15 HRA Capital Programme.
- Rents converge (with formula rents of similar housing provider properties) in 2015/16 (with no property-by-property adjustment for caps and limits).
- Average rents are £82.19 with a formula (target) rent of £88.09.
- General Inflation (RPI) of 2% - the exception being 3.5% for rental RPI for 2011/12 based on the assumption within the self-financing proposals of 1<sup>st</sup> Feb 2011.
- The rolling forward of management and maintenance expenditure with inflation, with the exception of management costs increasing by 0.5%.
- The rolling forward of non-rental income with inflation only (it should be noted that the budget has reduced from previous years, due to the transfer of commercial properties to the General Fund).
- Right to Buy sales of 7 properties per annum.

A critical assumption relates to the stock investment and capital needs for the stock over the longer term. These have been factored into the Financial Plan, based on internal updates to the original Savills survey of June 2002. The 30 year capital profile inflated to 2011 prices amounts to around £36,400 per property (excluding fees) and this is in line with benchmarks, as would be expected from the survey process that has been undertaken.

The asset database predicts required expenditure being higher than that included within the current HRA Capital Programme; therefore any shortfalls are factored into later years of the Plan. The future detailed modelling that will be undertaken will re-address this, with an appropriately amended future Capital Programme based on affordability.

#### 11.5 Summary Outcomes Based on for Remaining in the HRA Subsidy System

For comparison purposes only, the following charts show the revenue and capital profiles for the HRA if the current HRA Subsidy System were to continue beyond April 2012.

Charts 1a and 1b: Revenue and capital profiles remaining in the subsidy system £'000



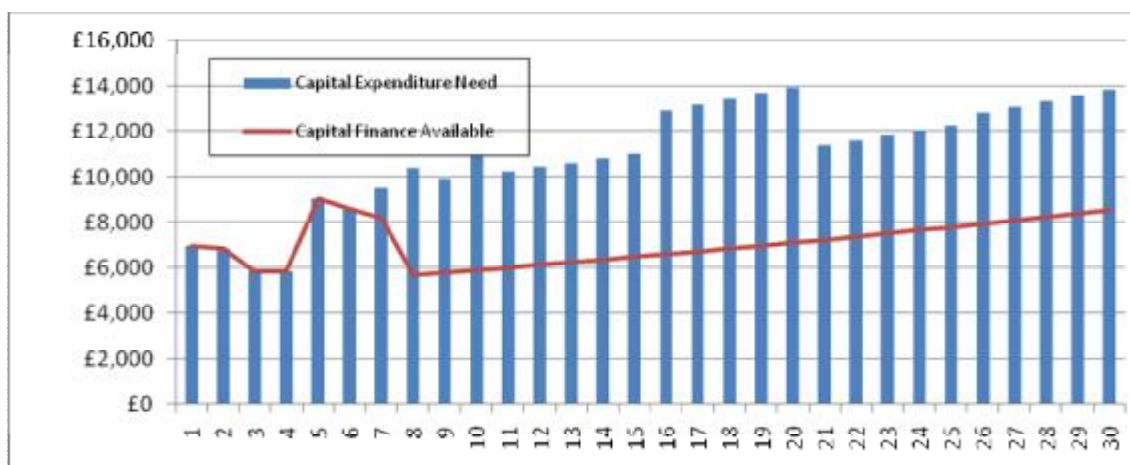


Chart 1a above demonstrates that the HRA would remain in a balanced position for 8 years only, if the current HRA Subsidy System were to continue.

Chart 1b demonstrates that, if the subsidy system were to continue, the capital investment required (as identified by the stock condition survey), could not be fully funded beyond Year 6. The total cumulative shortfall, including inflation, would be in the region of £146m over the next 30 years.

Two major factors that have changed this position, from the situation set out within the last HRA Financial Plan, are that previously:

- The HRA benefited from the rental income from the Council's commercial properties (mainly shops) in the region of £1.7m per annum; and
- A reduced level of capital investment was assumed - by reducing the capital expenditure in line with previous years' modelling to a more basic decent homes standard, the Plan would remain fully funded for 9 years.

### 11.6 Comparing the Self-Financing (HRA Reform) Position to the Subsidy System Position

Local authority self-financed HRA Business Plans (based on the current proposals) are almost universally better-funded than plans based on an un-reformed subsidy system. This is the case for the Council, and principally arises as a result of the following key factors:

- The benefits of all net rent increases are available to the HRA – i.e. surpluses are not captured nationally and redistributed; this is the critical difference between the two positions, since rental surpluses are expected to rise sharply in the future;
- The allocation of uplifts for Management and Maintenance Allowances and the Major Repairs Allowances gives additional spending power from the commencement of the self-financing regime;
- The interest charge on debt is at a lower rate than the discount factor used in the settlement calculation; and
- The opening debt is lower than that identified in the settlement (due to the difference between the Capital Finance Measures).

### 11.7 The Government's Proposed Settlement for the Council

The headline debt settlement from the CLG for the Council amounts to £180.971m. This is based on uplifted subsidy allowances of 13.41%.

The settlement has also made provision for debt management expenses and an allowance of £59 per property per year for disabled adaptations, which is included in the above uplift to allowances.

Another amendment to the previous Government's proposals is the inclusion of an assumed level of right to buy sales, at an average of 13 properties per year, which is more than anticipated within the Council's own Financial Plan. This reduces the debt settlement by approximately £4.1m.

However, the Government has confirmed the continuation of the 75% of pooling of right to buy receipts for the next 4 years within its Comprehensive Spending Review, and is likely to continue on the basis of the reduction of the debt settlement. The un-pooled 25% of right to buy receipts can continue to be spent for either General Fund or HRA capital purposes.

### 11.8 Headline Outputs for HRA Based on Self-Financing (HRA Reform)

The Financial Plan has been modelled, based on the self-financing approach, with the following assumptions:

- Long-term interest rates of 6% (from the Public Works Loan Board (PWLB) );
- Repayment of debt, whilst retaining a minimum balance on the HRA of £0.5m (inflated); and
- Depreciation based on the stock condition survey, in-line with the latest CIPFA consultation

The following charts demonstrate the projections for the HRA, funding of the capital investment requirements and debt repayment:

Charts 2a and 2b: Revenue and capital profiles remaining under self-financing (£'000s)

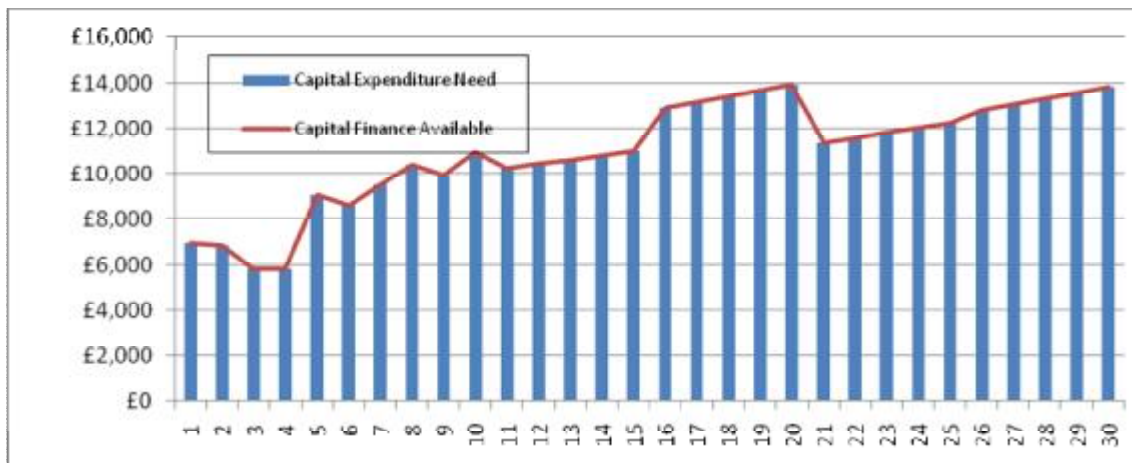
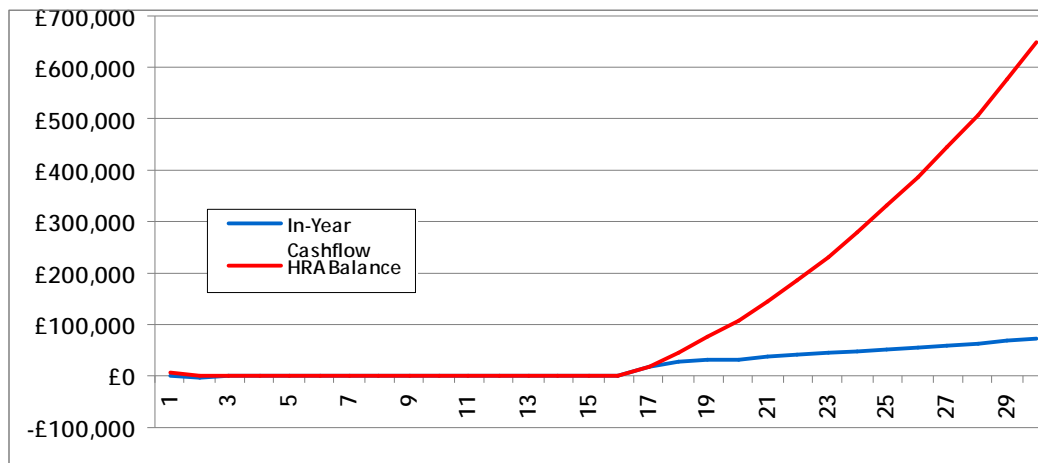


Chart 2c: Debt profile following self-financing in 2012/13 (£'000s)

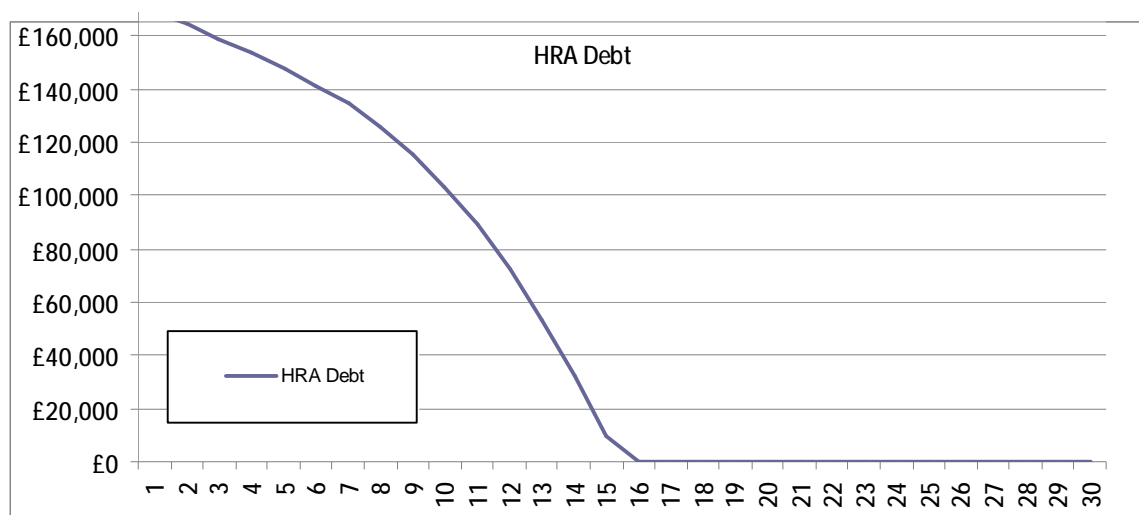


Chart 2c above demonstrates that the debt attributed by the Government can be repaid as early as 17 years from the date it is taken on, and shows clear viability on the basis of the assumptions within the Plan.

Chart 2a demonstrates that the minimum HRA balance of £0.5m can be maintained, whilst funding capital investment and debt repayment where possible, with substantial balances accumulating after Year 17 (of, potentially, £100m within 3 years).

Chart 2b demonstrates that the core capital investment requirements can be met by the available resources.

Therefore, the Financial Plan shows great scope to increase the level of investment that can be made for both internal and external works to the Council's housing stock.

### 11.9 Sensitivities

The Financial Plan is viable, and very resilient to changes in key assumptions. Some key headlines are set out below.

- If interest rates were 7% not 6%, the Debt Repayment Plan would redeem debt by Year 18 (compared to Year 17). Overall, the Plan would remain viable, with considerable reserves at Year 30.
- Real inflation in capital costs (1% p/a for 10 years) would result in the debt repayment being pushed back to Year 18. Overall, the Plan would again remain viable, with considerable reserves at Year 30.
- Real inflation in management and maintenance costs (additional 1% p/a for 10 years) would reduce revenue surpluses, but would still result in the Plan remaining viable, again with considerable reserves at Year 30 and debt repaid by Year 18.

### 11.10 The Next Steps in Preparing for Self-Financing

There are a number of technical accounting issues which are still to be resolved at the national level. These include the treatment of depreciation and the approach to the separation of debt between the General Fund and HRA. These are being currently under consultation by CIPFA, and appropriate assumptions have been made within the modelling to reflect the suggestions made within the consultation.

In June 2011, the Council will complete and return a form to the CLG, to inform the CLG of any property changes proposed and the number of right to buy sales to date, in order to inform the revised debt settlement for early next year. This includes planned demolitions, for which the CLG will look for proof of approval through the committee process. This will include the proposed transfer of 20 vacant bedsits at Marden Close, Chigwell to a housing association, to enable them to be converted into 10 self contained flats.

As the Council will be taking on significant debt, there are some options in terms of Treasury Management (for example, the use of long term fixed rate loans vs variable rate loans). It should be noted that the



Government has expressed a desire to move to a greater GF/HRA separation of debt and the Council will need to work through the implications carefully.

It is anticipated that the final debt settlement figure will be produced by the Government in early January 2012.

### **11.11 Risk and Reward**

Moving to a self-financing system significantly alters the risk profile of the HRA Business Plan and the Council's Housing Service (which has been recognised and included within the Housing Risk Register, referred to in Chapter 10).

The risks of the current Housing Subsidy System focus on unpredictability and political intervention in the system (in the widest sense), and on the fact that significant revenue rental surpluses are lost from the Council's HRA to other parts of the country. New risks arising from self-financing are around increased Treasury Management, interest rate fluctuations and the fact that the Council will have local responsibility for all spending (revenue and capital).

## **12. Reviewing the Business Plan**

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### **12.1 Introduction**

The HRA Business Plan is a dynamic, working document. Consequently, it is essential that it is reviewed and updated on an annual basis. In addition, it is very important that progress on the Action Plan and the achievement of performance targets are reviewed throughout the year.

### **12.2 Financial Monitoring**

The Financial Plan for 2011/12 will be monitored throughout the year by officers, the Housing Portfolio Holder and the Cabinet as appropriate.

### **12.3 Monitoring the Business Plan's Key Action Plan**

Chapter 13 of this Business Plan sets out a detailed Key Action Plan. It is important that progress with the Key Action Plan is monitored. This is done at two levels.

At officer level, the actions are incorporated within the Housing Directorate's Special Project Plan referred to in Section 5.6 above. At member level, the Housing Scrutiny Panel receives and considers a six-month progress report on the Action Plan, in October and March each year.

### **12.4 The HRA Business Plan Review process**

The review process will commence in January 2011, which will result in the production of a draft HRA Business Plan and Repairs & Maintenance Business Plan 2012/13, on which the Tenants and Leaseholders Federation and Housing Scrutiny Panel will be consulted, prior to the final version being approved by the Housing Portfolio Holder around the end of March 2012.

## **13. Key Action Plan**

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### **13.1 Introduction**

Chapter 3 sets out the Council's Corporate and Specific Housing Objectives. The table on the following pages sets out the Council's Key Action Plan for meeting those objectives over the next few years. The Action Plan is "SMART" (specific – measurable – agreed – realistic – timebound).

**HRA Business Plan 2011/12  
ACTION PLAN**

Action	Corporate Housing Objectives	Responsibility for Achievement	Target Date	6-Month Progress Report
<b>Housing General</b>				
1) Seek re-accreditation of the ISO 9001:2008 Quality Assurance Award for the whole of the Housing Directorate for a further 3 years	HO 1 / 2 / 3 / 4	Housing Resources Manager	May 2011	
2) Prepare for HRA self-financing and formulate a robust and credible Financial Plan, based on sound treasury management, that meets the housing needs of tenants and the housing stock.	HO 1 / 2 / 3 / 4 / 5	Director of Finance / Director of Housing	Jan 2012	
3) Successfully complete the implementation of the electronic records and document management system (Information @Work) within the Housing Directorate	HO 1 / 2 / 3	Asst Director of Housing (Private Sector & Resources)	Dec 2011	
4) Undertake a Tenant Satisfaction Survey using a methodology agreed with HouseMark, whereby the results can be benchmarked with other landlords	HO 2 / 3 / 4	Principal Housing Officer (Strategy & Information)	Dec 2011	
<b>Housing Management</b>				
5) Consider whether the Council should use the new fixed term tenancies proposed under the Decentralisation and Localism Bill and, if so, formulate a Tenancy Scheme setting out the proposed operation of the scheme	HO 2	Asst Director of Housing (Operations)	March 2012	
6) Relocate the Limes Farm Estate Office to the newly refurbished Limes Farm Community Centre	HO 2	Area Housing Manager (South)	Feb 2012	

7) Consider whether or not the Home Ownership Grant Scheme (which enables tenants to purchase their own home and vacate their Council property for occupation by a housing applicant) should be re-introduced in 2012/13	HO 1	Housing Resources Manager	Sept 2011	
8) Work with the Council's five local authority partners of the HomeOption Choice Based Lettings Scheme to introduce a facility for tenants to apply for the housing on-line.	HO 1 / 2	Housing Options Manager	March 2012	
9) Subject to the approval of the Leader of Council, undertake a 1-year pilot scheme to identify and tackle "social housing fraud, through the creation of a new post of Housing Officer (Fraud), part-funded from funding provided by the CLG	HO 1 / 2	Director of Housing	March 2012	
10) Transfer the lease of land and properties at Marden Close, Chigwell Row, to one of the Council's Preferred RSL Partners – following a competitive exercise – for the 20 existing bedsits to be converted into 10 one bedroom flats	HO 1 / 2 / 3	Director of Housing	March 2012	
11) Undertake a feasibility exercise – in partnership with an appointed development agent - for the development of Council-owned land by the Council, to provide additional affordable housing (subject to the Government changing the housing finance accounting regulations, to avoid the General Fund having to meet loan costs)	HO 1 / 2 / 3	Director of Housing	March 2012	
12) Introduce the Leasehold Services module of the OHMS integrated housing system, to improve the efficiency of the leasehold service	HO 1 / 2 / 5	Housing Resources Manager	March 2012	
13) Introduce the provision of rent and other Council payments by credit card for tenants	HO 2 / 5	Asst. Director of Finance & ICT (Revenues)	July 2011	
<b>Tenant Participation</b>				
14) Provide an Annual Report to all tenants, including performance against tenant-selected indicators in 2010/11	HO 1 / 2 / 3 / 4	Director of Housing	Sept 2011	

15) Introduce a new Tenants Scrutiny Panel, to scrutinise the performance of the Housing Service and to undertake service reviews	HO 1 / 2 / 3 / 4	Principal Housing Officer (Strategy & Information)	Sept 2011	
16) Following consultation with the Tenants and Leaseholders Federation, make a new "Local Offer" to tenants for 2012/12, setting out the housing service tenants can expect, including the formulation of a new Tenant-agreed Action Plan	HO 2 / 3 / 4	Principal Housing Officer (Strategy & Information)	Feb 2012	
17) Produce an updated Tenant Participation Impact Assessment, documenting how tenants have participated in decision-making in 2010/11, and the impact of their participation, and proposals for tenants to participate in 2011/12	HO 4	Tenant Participation Officer	June 2011	
18) Train tenants of the Tenants and Leaseholders Federation and recognised tenants associations to undertake periodic "mystery shopping" exercises on the Council's housing services, and for other social housing providers	HO 2 / 3 / 4	Tenant Participation Officer	Mar 2012	
<b>Supporting People and Supported Housing</b>				
19) Utilise the 24-hour staffing facility at Careline to actively monitor CCTV cameras around the District	HO 2	Housing Manager (Older People's Services)	Sept 2011	
20) Update the remaining sheltered housing schemes with Piper Haven alarm equipment with the latest Piper Communicall equipment	HO 2 / 3	Housing Manager (Older People's Services)	Nov 2011	
21) Introduce a programme of providing scooter stores at sheltered housing schemes	HO 2	Housing Assets Manager	Jan 2012	
22) Investigate and implement a more cost effective business continuity solution for the Careline Service	HO 1 / 2	Housing Manager (Older People's Services)	Dec 2011	
23) Remodel the support provision at Jessopp Court, Waltham Abbey from a frail older people's scheme to a sheltered housing scheme, including the provision of a new Scheme Manager post provided by the Council	HO 2	Housing Manager (Older People's Services)	Dec 2011	

24) Expand the provision of supported housing for older people by the Council's Scheme Managers into the community, including for owner occupiers	HO 1 / 2	Housing Manager (Older People's Services)	Feb 2011	
<b>Housing Repairs and Maintenance</b>				
<i>See Action Plan within the Repairs and Maintenance Business Plan at Appendix 1</i>				

**Key to Corporate Housing Objectives**

- |                                |                             |
|--------------------------------|-----------------------------|
| HO 1 - Value for Money         | HO 4 - Tenant Participation |
| HO 2 - Housing Management      | HO 5 - Housing Finance      |
| HO 3 - Repairs and Maintenance |                             |

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# Epping Forest District Council

Director of Housing  
Alan Hall FCIH MCM



## Housing Repairs and Maintenance Business Plan

2011 - 2012



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## 1. Purpose of the Plan

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The Housing Revenue Account (HRA) Business Plan has been prepared under the guidelines of the HRA Resource Accounting regime, whose main objective is to promote more efficient use of housing assets. This covers all housing services in detail. Given that repairs and maintenance is the biggest single area of expenditure, and in line with a District Audit recommendation, this separate Repairs and Maintenance Business Plan has been produced to detail the Council's strategic approach to this work. Both Plans have been produced annually since 2000. The Council already has set standards for most of its service provision, which can be found in various documents such as the Tenant's Handbook, Housing Strategy and Contract Conditions etc. However, it was felt that these documents should be brought together into a single Business Plan, which would assist the Council in planning and monitoring the delivery of the repairs and maintenance service. This Plan is therefore comprehensive in its coverage.

This year is the first year after the deadline set by the Government for all social housing to meet the Decent Homes Standard. Previous plans have included a detailed analysis of the Authority's response to the Government's decent homes initiative. The Council was able to announce that all of its stock met the Decent Homes Standard in May 2010, which was 7 months ahead of the deadline set by the Government. This means that the Council must now maintain its stock so that no properties fall below the standard. This Business Plan sets out how we intend to do this. An updated Housing Services Risk Register, which identifies the strategic and operations risks, including a section which discusses the risks and how these are managed through risk management is also included in this years plan.

This version of the Plan also covers the way in which efficiency gains are being made in line with the Council's Value for Money Strategy, which seeks to achieve value for money savings through better procurement in order to release resources to support the key policy objectives of the Council. Once again, over the last 12 months, significant changes to the Housing Directorate have occurred, particularly in relation to the Repairs Refresh Programme, which followed the merger of the Housing Repairs Section with the Building Maintenance Works Unit. This is covered in more detail later in the plan.

In pursuit of excellence, the Housing Directorate is currently reviewing all of its front line services, including looking at the service we provide from a customer perspective and using the former TSA and Audit Commission Key Lines Of Enquiries (KLOEs), which prompts us to differentiate between what is a "fair" service and what is an "excellent" service, to produce a "Housing Excellence Plan". The Housing Excellence Plan sets out a number of actions, which will focus attention and activity on areas where there is room for improvement.

A new section has been added to this plan, which looks specifically at our ability to meet performance targets. Any actions for improvement are recorded in the action plan in section 10 of this Business Plan.

The Plan is updated each year taking into account the latest Government Guidance, revised Council policies, updated financial information, the latest stock condition information and the views of tenants and leaseholders. The Action Plan will be monitored on a bi-monthly basis to ensure appropriate progression of the initiatives included.

In preparing this Plan, the Council's Tenants and Leaseholders Federation have been consulted in the same way as with the main HRA Business Plan and they have approved both Plans. The Tenants and Leaseholders Federation [*INSERT NEW TEXT HERE- Last year the T&LF noted that they were particularly pleased with the Council improving its target for the completion of non urgent responsive repairs from 8 weeks to 6 weeks, and that the Council was on target to meet the*

*Decent Homes Target by the end of March 2010. They supported the aims and objectives of the plan and agreed with the financial plan as set out in the 5 and 30 year budget forecasts. The Tenant and Leaseholder Federation also sought to include the notion of seeking to include local contractors on all future tender lists wherever possible, not just during this current economic downturn. This has been included in the action plan in Section 10 of this Business Plan.]*

## 2. Introduction to the Repairs & Maintenance Business Plan

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Epping Forest District Council is a major provider of housing. As at 1<sup>st</sup> April 2010, the Council owned and managed 6499 properties, 2814 garages, 1 homeless hostel and leased 935 properties. A number of these properties were transferred to the Council from the former Greater London Council (GLC) in 1980. There has been a general rate of decline in the number of properties owned by the Council over the years due to tenants purchasing their homes under the Right to Buy scheme. Since 1977, 6155 properties have been sold. The rate at which properties have been sold has varied over the years. However, over the last five years, an average of 25.8 properties per annum have been sold, which equates to approximately 0.4% of the stock.

### 2.1 The Housing Directorate within the context of other Strategic Plans

Housing has a major impact on the quality of the people's lives, influencing health, educational achievement, employment opportunities and social cohesion. The main responsibility for managing and maintaining the Council's housing stock is undertaken by the Council's Housing Directorate.

The Housing Directorate strives to provide the highest quality advice, assistance and equality of opportunity to its customers in housing matters. It aims to be a responsible landlord, managing and maintaining the housing stock effectively, whilst continuing to charge reasonable rents. The Housing Directorate also works within a number of specific strategies. The main strategies influencing the direction of the Repairs and Maintenance Service include:

**Tenant Participation Agreement** – An agreement with the Tenants and Leaseholders Federation on consultation, provision of information and support for tenant organisations. The agreement has led to improved tenant consultation on repairs and maintenance programmes.

**Leaseholders Participation Agreement** – An agreement (compact) between the Council and the Epping Forest Leaseholders Association, which was formed through a Council initiative in March 2001.

**Housing Charter** - Sets out the principles by which housing services will be delivered from the clients' point of view and what clients can expect.

**Home Energy Conservation Act and Fuel Poverty Strategies** – Strategies designed to conserve energy use particularly for those on low incomes. This has for some time been targeting energy saving measures to those on low incomes through the Warm Front Scheme (previously known as the Home Energy Efficiency Scheme (HEES)).

**Crime & Disorder Strategy** – The Council has a local Crime Reduction Partnership comprising representatives from Police, Social Services Probation Service, which has produced a Crime Reduction Strategy which have influenced programmes for the installation of CCTV and door entry security systems. The Partnership has a number of sub groups, which have influenced programmes for the installation of secure double-glazing, CCTV, door entry systems and has recently introduced a sanctuary scheme for those fleeing domestic violence. This strategy complies with Home Office guidelines.

**HRA Business Plan** - the HRA Business Plan is a broad document, which covers the whole of the Housing Directorate. Given that repairs and maintenance is the biggest single area of expenditure, this Business Plan has been developed to provide more detail on the strategic approach to the repairs and maintenance.

**Housing Directorate Risk Strategy** – A Risk Register, which identifies the strategic and

operations risks affecting the Housing Directorate.

**Housing Strategy 2009-2012** - The Housing Strategy assesses the overall housing needs of the District, and sets out the Council's objectives and plans for meeting those needs.

**Continuous Improvement Strategy** – This is a new strategy, currently being developed, which takes a look at the service we provide to our customers, and using the former TSA and Audit Commission Key Lines Of Enquiries (KLOEs), prompts us to differentiate between what is a “fair” service and what is an “excellent” service. A Continuous Improvement Action Plan lists the areas of improvement, and who will be responsible for implementing that improvement.

## **2.2 Housing Directorate**

The Housing Directorate as a whole, since the Senior Management Restructure, is divided into three main headings; Private Sector Housing, Property and Operations, each with its own Assistant Director. The Housing Directorate is responsible for all housing matters. Since the Building Maintenance Works Unit joined the Housing Directorate in May 2008, this additional service falls under the responsibility of the Assistant Director (Property) The current responsibilities of each Assistant Director are listed out below.

### **(a) Private Sector and Resources**

The Private Sector Division is responsible for issues relating to housing in the private sector, including decent homes, empty properties, house condition surveys, HMO's, Disabled Facilities Grants, Home Improvement Grants, Home Improvement Agency as well at the Resources functions with Housing, including Budget Monitoring, Rent Accounting, Leasehold Services, House Sales, Information and Administration

### **(b) Property**

The Property Division of the Housing Directorate is responsible for void maintenance, responsive repairs and planned maintenance functions to council housing.

### **(c) Operations**

The Operations Division of Housing Services is responsible for issues such as Housing Needs, Special Needs, Supporting People and Housing Management.

### **3. Repairs & Maintenance**

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There is a significant amount of maintenance work needed to keep the average home in good condition. Some occurs at short notice, some can be planned in advance, some is the responsibility of the Council and other work is the responsibility of the tenant. In order to clarify who is responsible for various maintenance items, the Council has produced within its 'Tenants Handbook' a leaflet entitled "Repairs And Improvements To Your Home".

The Tenants Handbook also includes information on programmed maintenance, day to day repairs, emergency repairs and gas leaks, adaptations for the disabled, making improvements to the home, asbestos in the home, the right to repair, home improvements compensation scheme and mutual exchange repairs.

In previous years, this Business Plan has set out in detail the work of the Housing Assets Team and the Housing Repairs Service, including how the work is identified, recorded, managed and monitored. Much of this detail remains the same each year, or only requires reviewing on a three-yearly basis similar to other Service Strategies. Therefore, this Business Plan has been streamlined to include a look back at what was achieved during the previous year, including the performance levels that were reached, and a look forward to our plans and targets for the next 1, 5 and 30 years in line with the HRA Business Planning regime. In order to retain the important aspects of work of the Housing Repairs Service and the Housing Assets Section, it is planned that a separate Repairs and Maintenance Service Strategy will be prepared in 20011/12.

During 2010/11, the Housing Repairs Service undertook 12,582 repairs in total.

#### **3.1 Repairs Refresh Programme**

Following a Senior Management Restructure, which saw the Building Maintenance Division join the Housing Directorate in May 2008, the decision taken by the Cabinet was to combine the Housing Repairs Section and the Building maintenance Division operating from the same site, reduce the number of craft workers but retaining a core to undertake a proportion of the day to day ad hoc repairs to the Council's Housing Stock, and/or those to void properties, with the balance of the work being externalised.

In addition, the Cabinet agreed to the appointment of an External Repairs Management Contractor to oversee the day to day management functions of the newly combined Housing Repairs Service. The "Repairs Refresh Programme" was subsequently launched, starting with the formation of a Repairs Advisory Group and is set out in more detail below.

The main objectives of the Repairs Refresh Programme are:

- To improve the all-round performance of the Repairs Service for our tenants and leaseholders.
- To combine the Housing Repairs Team and the Building Maintenance Works Unit
- To reduce the number of craft workers, but retaining a core to undertake a proportion of the day to day ad hoc repairs to the Council's Housing Stock, and/or those to void properties
- The balance of the work not undertaken directly by the Council being externalised via new or existing framework agreements.
- To appoint an Interim External Management Contractor to supervise the combined Building Maintenance Works Unit and Repairs Service, thus bringing in the added benefit of private sector knowledge and experience.

To meet these objectives, the following initiatives have been identified for the merged Housing Repairs and Building Maintenance Works Unit:



To relocate the Repairs Section to the Epping Depot site  
To improve overall performance in response times  
To avoid duplication in working practices  
To streamline administrative functions  
To improve tenant liaison  
To reduce risk  
To move towards a more area based Repairs Service in line with other housing management functions  
To increase supervision of repairs  
To introduce Generic Working by combining the duties of the Repairs and Voids Officers  
To achieve savings if possible, which will be reinvested in the Repairs Service

### **3.1.1 Repairs Advisory Group**

A repairs Advisory Group has been established, consisting of Housing Portfolio Holder (Chairman), Finance & Performance Management Portfolio Holder, Chairman and Vice-Chairman of the Housing Scrutiny Panel, Director of Housing, Asst. Director of Housing (Property) and 2 representatives of the Tenants & Leaseholders Federation. The role of the Advisory Group is to:

Provide advice and feedback to officers and the Housing Portfolio Holder on the proposed specification for the Repairs Management Contract;

Interview short-listed companies and recommend to the Housing Portfolio Holder which company should be appointed; and

Meet periodically (probably quarterly) to monitor the performance of the repairs management contractor and the repairs service generally.

### **3.1.2 Restructure of Housing Repairs Service**

In November 2009, the Cabinet agreed a new structure for the Housing Repairs Service. The fundamental changes in the structure sees a separation of the works and administration functions, thus;

a. Creating one team that concentrates on receiving and registering the requests for repairs, manages the stores, procurement, invoicing and generally supports the works functions. This team also monitor performance, budgets and acts as tenant liaison, including dealing with complaints.

b. Splitting both the technical and trade roles into two distinct geographical areas in the same way other housing management roles are managed. There are a number of advantages to this, not least of which it creates greater control over the supervision of the works and makes it easier to respond to repairs requests. Each area has a Manager and an Assistant Manager, along with Technical Officers and a number of Craft workers from all trades.

The cost of resourcing the new structure, taking into account filled and vacant posts, but excluding Craft Worker posts is around £511,000, which is an overall saving of around £61,000, or 10.6% of the budget.

As of January 2011, all posts within the new structure have been filled, which includes the two Area Repairs Managers, Assistant Area Repairs Managers, Customer Repairs Manager and the appointment of a new Tenant Liaison Officer.

### 3.1.3 External Repairs Management Contractor

The Cabinet agreed to appoint, for a initial period of 3-years, the services of a Repairs Management Contractor to assist the Council by introducing changes that will make the Housing Repairs Service more efficient in terms of value for money and performance.

The appointment of the Repairs Management Contractor is subject to EU procurement competition, and as such, a detailed strategy and specification has been prepared, along with placing an advertisement in the EU Journal. The advert was placed in the Official Journal of the European Union (OJEU) in January 2010. This notice invited Contractors to express an interest in providing a tender, from which a Pre-Qualification Questionnaire was issued. Prospective Contractors were required to submit their responses to the PQQ by 17 February 2010 from which applications were assessed and a shortlist of 5 tenderers was compiled. The outcome of the short listing was reported to the Repairs Advisory Group at its meeting in November 2010.

The Council has been assisted through the four stages of the procurement process, from developing the procurement strategy through to the appointment of the External Management Team, by Cameron Consulting who are specialists with extensive and relevant experience in innovative procurement practices, particularly in Partnering within the public sector construction industry.

The four stages of their appointment are:

**Stage 1** – To develop the Procurement Strategy. This includes a review of current systems, processes, performance and evidence based data, holding Member, Resident and Staff workshops to understand and define the future service.

**Stage 2** - Pre-Qualification Stage. This includes placing the EU advertisement, preparing the evaluation criteria and evaluating the expressions of interest and recommending to the Council the short list of tenderers.

**Stage 3** – Tender Activity. This will include further workshops to agree the tender criteria, prepare specifications, Service Level Agreements, Management Fee Structures and Performance Targets. This stage also includes issuing tenders, evaluating the returns, facilitating interviews and recommending an appointment.

**Stage 4** – Appointment of Construction Management Team. This includes facilitating the pre-contract meeting and the preparation and execution of contract documents.

A Procurement Strategy has been prepared by Cameron Consulting for the appointment of the Repairs Management Contractor, which was presented to and agreed by the Repairs Advisory Group. The strategy sets out the summary of the issues identified from a series of 1-2-1 meetings with various staff across the Council, and includes sections on “Where do we want to be?” and “How do we get there?”. Below is the timetable we are working to, including the key milestones.

The information gathered during Stage 1 – Developing the Procurement Strategy is to be captured in the tender documentation as a number of ‘Key Deliverable’ that the Repairs Management Contractor will be expected to contribute towards achieving in collaboration with the Council. Based on the initial work carried out, the following key areas will need to be developed into ‘Key Deliverables’ forming part of the Services Specification:-

a. **Supply Chain Development** – Developing better supply chain arrangements with

suppliers and sub-contractors to ensure that value for money is being achieved. This includes a complete overview of how the stores is operated and managed;

**b. Development of Pricing Models** – Developing better financial models to be used in how the HRS is reimbursed for works undertaken, including how supply chain partners are also reimbursed for works carried out. This should also include better ways of financial reporting to the Council;

**c. Implementation of an Effective IT system** – Introduce or integrate better IT systems for delivering an effective R&M service from the point of order through to completion and post completion actions;

**d. Introduction of Mobile Working for Operatives** – Work with EFDC in implementing quality processes that accord with the requirements of ISO9001, Charter Mark, Investors in People (IIP) and the Tenant Services Authority Regulatory Framework including designing new processes and procedures that are efficient and deliver value for money;

**e. Implementation of an appointment based Repairs Service** – Implementation of a full appointment system, extended opening hours and the provision of a discretionary service to undertake tenant responsible repairs. Tenders were subsequently issued in accordance with Contract Standing Orders in November 2010, based not only on price but on economic, financial and technical capacity.

The tenders were received and opened in January 2011, and the priced element (Form of Tender) was recorded in the tender register. The pricing element of the tenders were broken down into three parts, as follows:

**Part A – Service Requirements.** (The cost of providing the services of a Housing Repairs Manager at the Depot to oversee the contract and to implement change)

**Part B – Key Deliverables.** (The cost of implementing 5 specific projects, including Supply Chain Development, Implementation of an Efficient IT System, Implementation of a Mobile Working Solution For Operatives, Development of an Appointment Based System and Development of a New Pricing Model)

**Part C – Incentivisation.** (The payment the Repairs Management Contractor expects to receive if all of the RMC Key Performance Indicators are met)

In view of the innovative approach that this “In-sourcing” contract adopts whereby the Contractor nominates and places a Housing Repairs Manager into the Council’s Housing Repairs Service, the Contractors were told that the tender will be based not only on price but on quality as well. The quality aspects of the tender were broken down further into two parts, mainly to assess the quality of the Contractor itself along with its back office support, but more importantly the Housing Repairs Manager that they nominated in their tender submission. The first being a document review of the written submission and method statements supplied with the Form of Tender, and the second specifically looking to measure of the quality of the Housing Repairs Manager they put forward as their lead person to manage the day to day contract and implement the change process, which was measured at an Assessment Centre held in February 2011.

The “Price” aspect of the tender makes up 40% of the tender weighting and the “Quality” aspect makes up the remaining 60%.

It is anticipated that the Repairs Management Contractor will commence the contract in May 2011.

## **3.2 Housing Assets**

Whilst the Council continues to provide housing, its stock has to be managed and maintained. The purpose of the Housing Assets Section is to continue to keep the Council's Housing Stock in good condition by planning its maintenance based on condition, need, efficiency and value.

There are significant value for money opportunities that have both direct financial and management implications that ultimately lead to a more efficient use of resources. The framework of strategies laid out in this document, defines the way in which Housing Services will plan the future repairs and maintenance of the stock.

### **3.2.1 Legislative requirements and working practices**

Although the provision of housing is not a statutory service, the Council has a statutory duty to maintain the stock it provides.

#### **a. Legislation**

The work of the Housing Assets Section is guided by a complex set of legislation. To this end, housing assets working practices have to be both flexible, to accommodate multiple legislative requirements and any on-going changes to these requirements, and precise in following specific codes of practice, legal and contractual requirements. This includes procurement rules, including EU Regulations, consultation with Leaseholders and Contract Standing Orders.

Standard forms of contract are being developed all of the time, and it is important that these are considered to ensure the Council obtains the best value for money and minimises its risks.

#### **b. Housing Policies**

In addition to legislative and contractual requirements, the Council has developed a number of housing policies that are set out in the Housing Policy Manual maintained by Housing Services.

#### **c. Working Practices**

As a local authority, the Council is required to undertake its duties and conduct itself in a manner that is both fair and proper. Accountability in working practices is therefore important. In order to ensure this, Officers must also work in accordance with Standing Orders, Financial Regulations and CIPFA Guidelines.

To manage this complex set of legislation, working practices and housing policies, the Housing Directorate has developed in-depth procedures. The procedures and works instructions cover all aspects of the work of the Housing Directorate including Housing Options, Housing Management, Housing Repairs and Assets as well as customer care issues. The procedures are stored on the Council's Intranet, and are accessible to all Housing staff.

In addition, a Contractor's Code of Conduct has been developed to allow proper conduct and safe working by all contractors working for the Council.

Since 2002, Housing Services has been accredited the ISO 9001/2000 Quality Award for all services. Housing Assets was one of the first two sections to be awarded ISO 9001/2000 status in May 2002. An intensive re-assessment was carried out by an external auditor in June 2008, which resulted in the ISO 9001/2000 status being renewed for a further 3 years. A further re-assessment is due to take place in 2011.

### 3.2.2 Improvements to Council Stock – 2009/10

During the financial year 2008/09, the Council has undertaken the following planned improvements to the Council's housing stock. The vast majority of this work was undertaken either through a Partnering Contract or via Framework Agreements.

	2010-11 Actuals		2011-12 Target	
	No Properties	Cost (£,000)	No Properties	Cost (£,000)
Springfields Improvement Scheme	96	99	0	0
Kitchen and Bathroom replacements	370	1,700	350	1,700
New heating installations, new boilers or heating upgrades	176	642	250	1,025
Welfare heating installations	28	50	32	50
Electrical testing, electrical upgrades	353	422	690	300
Rewires	95	240	110	335
Re-roofing	152	490	244	522
Structural repairs	151	240	300	600
Disabled adaptations (Major)	100	374	140	400
Disabled adaptations (Minor)	130	50	170	50
New front entrance doors,	191	94	213	100
New uPVC double-glazing	50	101	55	125
External repairs and redecorations	859	750	875	800
Door entry Installations	1	6	20	44
Asbestos removal	42	110	50	115
Digital TV upgrades	507	70	659	35
Communal and individual cold water storage tanks	50	25	175	83
Internal re-decorations for the elderly	96	40	85	40
Energy Performance Certificates produced	275	15	500	25
Energy efficiency measures	150	60	600	200
Stock condition surveys	190	0	600	0

## 4. Quality Repairs and Maintenance Service

### 4.1 Tenant Satisfaction – NHF Status Survey

In November 2008, an independent tenant satisfaction survey was undertaken by the National Housing Federation (NHF). The standard questionnaire and survey process called “Status” was used, which is endorsed by the Department of Communities and Local Government (DCLG) and the former Housing Corporation (now the Tenants Services Authority, or TSA). Around 1,563 tenants (22% of all Council Tenants) were randomly selected by the NHF to be surveyed. An exceptionally high response of 829 surveys were returned (53%)

In conclusion, the tenants were very pleased with the service they received across the whole of the housing directorate, but in particular, they were exceptionally pleased with the Council’s repairs and maintenance services, and with the contact they have with the Council’s staff. It was recorded that 86% of tenants were satisfied with the repairs and maintenance service (compared with the national average of 73%), which is up 2% compared to 2006. The Council ranked a strong first in its peer group for all aspects of the repairs and maintenance service measured.

### 4.2 Tenant Satisfaction – Tenant Response to Repairs and Maintenance

Service	Indicator	Performance 2009/10	Target 2010/11	Perf -Q3 2010/11
Housing Repairs Service	Quality of repair - good or satisfactory	98%	96%	99%
Housing Repairs Service	Polite/cooperative workmen - good or satisfactory	99%	96%	100%
Housing Repairs Service	Home left clean & tidy - good or satisfactory	99%	96%	100%
Housing Repairs Service	Works completed on time	99%	96%	93%
Housing Repairs Service	General standard of service - good or satisfactory	99%	98%	99%
Housing Repairs Service	Total number where tenants express “poor” satisfaction	7	no target	?? (????? jobs)
Housing Repairs Service	Complaints upheld (exc. Minor)			0 upheld
Gas Breakdowns	South of the District	99% good 1% poor	96%	97% good 0% poor
Gas Breakdowns	North of the District	100% good 0% poor	96%	100% good 0% poor
Internal redecoration	Average time from application to acceptance (including checking process)	7.3	7 cal days	3.1 avg
Internal redecoration	Average time from application to completion	5.4	6 weeks	3.8 avg
Internal redecoration	No. outstanding at end of period, not completed within target time	0	none	0
Internal redecoration	Overall satisfaction	100% good 0% poor	96%	100% good 0% poor

Kitchen & Bathroom Programme	Overall satisfaction	93% good 2%poor	96%	93% good 1%poor
Digital tv upgrade	Overall satisfaction	90%	none	81% good 14% poor
Structural repairs	Overall satisfaction	97%	none	92% good 0%poor

### 4.3 Customer Perspective Programme

In pursuit of customer excellence, in spring 2007, Housing Services initiated a “Customer Perspective Programme”, which looks at how housing services are provided to customers from a customer perspective. This includes the repairs and maintenance service. A group of Officers from each section of the Housing Directorate, along with tenant representatives will analyse all aspects of the “interface” that Housing Services have with customers with a view to finding out how services can be improved further.

A Customer Perspective Action Plan has been compiled as part of the review, with actions relating to repairs and maintenance included in the action plan found later in this Plan.

### 4.4 Housing Excellence Plan

As a result of the 2008 Housing and Regeneration Act, the Tenant Services Authority (TSA) was created, which increases the TSA’s powers over the regulation of social housing. The TSA launched a Regulatory Framework in April 2010, which set out the TSA’s mandate for the future regulation of the sector. However, after the general election later in the year, the new Coalition Government announced the abolition of a number of Government quangos, including the Audit Commission and the TSA, although the TSA will continue to regulate the social housing sector until their transfer in 2012 to the CLG is confirmed.

Until then, it is possible that the TSA could undertake inspections to assess the quality of housing services delivered by registered providers, which includes Local Authority’s that have retained their housing stock. Therefore, the Repairs and Maintenance service (along with all other aspects of the Housing Directorate) will continue to draw up its Housing Excellence Plan, based on the former Audit Commission key lines of enquiry (KLOEs) relating to the provision of housing services, which represent a set of questions and statements around our approach to assessing and measuring the effectiveness and efficiency of our housing services.

### 4.5 Avoidable Contact – National Indicator 14 (NI14)

The national indicator 14, which is one of the 198 indicators against which local government is assessed within the new performance management framework, aims to reduce ‘avoidable contact’ between residents and local authorities. Examples of ‘avoidable contact’ include calls from residents to chase progress on repairs requests. Since the national indicator for avoidable contact has been introduced, a review has taken place to identify ways in which the Repairs and Maintenance teams can provide clearer advice on the service it provides so that residents do not have the need to make such frequent contact. That review identified the following areas for improvement:

The need to improve the type and quality of information provided to residents

Since the repairs counter is no longer available at the civic offices, provide computer facilities in reception areas so that visitors can use the “Repairs On-line” service to report their repairs.

To introduce a better appointments system for responsive repairs

To add all planned maintenance programmed work onto OHMS against the individual property database, giving contact details, estimated installation dates etc so that the Repairs call-center staff are able to give more efficient advice at the first point of contact.

For less reliance on the use of telephone answering machines in the planned maintenance office so that queries can be answered straight away.

For gas servicing contractors to provide a sticker in each property, in an obvious location so that tenants know who to call for gas servicing queries, giving contact details of who to call.

To provide a short, but glossy leaflet for each of the planned maintenance works categories, such as disabled adaptations, kitchen renewal, front entrance doors, uPVC windows and French doors, heating installations, rewiring and energy efficiency works. The leaflet will set out the targets, contact details, tenants choice, details of what the Council will do and also what the tenants is expected to do for themselves.

A number of improvements have been made during 2010, which has seen the introduction of a new telephone call answering system, which automatically directs people to the service area they require. This has seen a drop in the number of callers that have dialled incorrectly or not actually wanted housing Repairs.

#### **4.6 Repairs & Maintenance Focus Group**

A Repairs Focus Group has been established, consisting of a large group of tenant volunteers, who have previously indicated that they would be interested in influencing how the Council's Repairs and Maintenance Service is provided. The Housing Directorate is keen to involve tenants and leaseholders in shaping the future of the Housing Service and this is out tenants opportunity to have a real say in how we move forward.

During 2010, there have been four meetings (held quarterly), which have been well attended and have come up with a number of good ideas that are currently being implemented. Some of these include:

Standardised rechargeable costs for works undertaken on behalf of tenants where the work is the responsibility of the tenant.

A tenant information pack for new tenants, which will contain all relevant information relating to the property, such as meter locations, stop-cock locations, Energy Performance Certificates, Gas and Electrical Safety Inspection Certificates etc.

Pre-vacation checklist for mutual exchanges and tenancy transfers

An out of hours self assist checklist, to help diagnose common repairs so that tenants can undertake simple remedies to faults that are the responsibility of the tenant.



## 5. Performance

The Council monitors its performance to deliver a whole range of services to its customers. These are captured and monitored as either national indicators, local indicators, management indicators or tenants indicators. The full set of indicators showing the overall performance achieved in 2009/10, the target for 2010/11 and the performance recorded at the end of quarter 3 of 2010/11.

Service	Indicator	Performance 09/10	Target 2010/11	Perf -Q3 10/11
Adaptations (Minor)	Acknowledgement time	1.3 days	7 days	1.2 avg
Adaptations (General)	Acknowledgement time	1.7 days	7 days	1.7 avg
Adaptations (Minor)	Time from decision to completion of work	21.8 days	28 days	21.9 avg
Adaptations (General)	Time from decision to completion of work	244 days	90 days	78 avg
Adaptations (General)	Time from works order to completion	46	56 days	34 avg
Adaptations (Minor)	No. outstanding at end of period, not completed within target time	0	none	0
Adaptations (General)	No. outstanding at end of period, not completed within target time	16	none	1
Gas servicing	Graceland and Kinetics - No. of CP12 lapsed (over 12 months)	16 Gracelands	none	Gracelands 12
		82 Kinetics	none	Kinetics 20
Gas servicing	Graceland and Kinetics - % of properties where servicing not complete within 12 months: non-access	0.51 Gracelands	0%	Gracelands 0.38
		2.85 Kinetics	0%	Kinetics 0.72
Gas servicing	Percentage of Gas Safety Certificates outstanding at the end of period	1.35	none	0.41%
Gas Breakdowns	Breakdowns attended within Fast Track (1 hour) - Gracelands	99%	100%	99.5%
Gas Breakdowns	Breakdowns attended within Fast Track (1 hour) - Kinetics	100%	100%	62.07%
Gas Breakdowns	Breakdowns - Emergency attended (within 1 hour) and left correct - Gracelands	83.05%	none	88.5%
Gas Breakdowns	Breakdowns - Emergency attended (within 1 hour) and left correct - Kinetics	77.7%	none	41.38%
Gas Breakdowns	Breakdowns - Completed within 24 hours and left correct - Gracelands	84.5%	85%	79.9%
Gas Breakdowns	Breakdowns - Completed within 24 hours and left correct -	79.16%	85%	72.99%

	Kinetics			
Gas Breakdowns	Breakdowns - Completed within 5 days - Gracelands	100%	95%	100%
Gas Breakdowns	Breakdowns - Completed within 5 days - Gracelands	94%	95%	100%
Internal redecoration	Average time from application to acceptance (including checking process)	7.3	7 cal days	3.1 avg
Internal redecoration	Average time from application to completion	5.4	6 weeks	3.8 avg
Internal redecoration	No. outstanding at end of period, not completed within target time	0	none	0
Decent Homes	Proportion of homes which are non decent	1.37	0%	0.05% (3)
Repairs	% of appointments kept	97%	95%	98%
Repairs	Average time to complete urgent repairs	4	5 w/days	4.78
Repairs	Average time to complete non-urgent repairs	27 days	42 days	20.78 days
Repairs	% of emergency repairs completed within target time (24 hours)	99%	99%	98%
Repairs	% of repairs undertaken within target time: Priority within 3 days (priority code 3)	98%	95%	95%
Repairs	% of urgent repairs completed within target time of 5 working days	94%	95%	59%
Repairs	% of routine repairs completed within target time of 6 weeks	95%	95%	86%
			%	E / U / R
Repairs	% of all repairs received emergency / urgent / routine	30/12/32	10/20/70	29.1/8.5/35.4
Voids	Time for Works Unit to complete repairs	12.45	15 w/days	14.61
Voids	% rent loss through voids	0.85	2%	0.77
Voids	Average time taken to re-let (overall void period)	49	No target	54
Voids	Average overall void period (excluding difficult to let)	33	30 days	33
Voids	No of voids with Works on 1st day of period	12	no target	15
Voids	Total number of voids	177	no target	323
Voids	Voids with Works > 6 weeks	4	no target	67

The recorded performance relating to tenant satisfaction can be found in section 4 above.

It is clear from the performance results above, there are areas that the Council needs to address. These are:

1 Overall, 93% of all jobs were completed on time. However, the percentage of urgent and routine jobs completed within target times at Q3 is well below the targets for 2010/11. Whereas performance in the previous year was excellent. Improving this aspect of the Repairs Service is a

major part of the Repairs Refresh Programme, and is linked to all of the key deliverables in the Repairs Management Contract.

2 The ratio between emergency, urgent and routine responsive repairs needs to be addressed, with a much higher percentage of jobs being allocated as emergency and urgent than routine. However, there has been an improvement since last year when the management indicator was newly monitored. There is a marginal drop in the number of emergencies and urgent jobs, and a marginal increase in the number of routine jobs. However, the performance is well short of the ideal ratio of 10:20:70. Expressed in terms of job numbers, 2,777 were emergency jobs (with a further 908 out of hours emergencies), 1,043 urgent jobs (with a further 161 jobs completed as 3-day tickets) and 3,079 routine jobs (with a further 2,085 jobs completed by appointment)

3 Overall void periods continue to be an area that the Council need to improve on. Much work has been done to improve this over the last two years. However, there has been a significant increase in the number of voids, mainly due to the increased number of affordable housing built in the district during the same period. With a similar or higher number of affordable housing in the pipeline, this is going to present a real challenge in the next 2-3 years.

## 6. Expected trends

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This section is a summary of the major issues taken into consideration when framing the investment programme for the Council's housing stock.

### 6.1 Expenditure

Expected expenditure trends over can be summarised as follows:

Decent Homes – Although the Council has managed to bring all of its properties up to the Decent Homes Standard, the Council will need to continue to monitor and assess its dwellings to ensure they do not become non-decent. This is now the key factor in planning the investment programme for the Council's stock. Based on the current strategies employed to deal with the prevention of properties becoming non-decent, the Council can maintain all of its stock to the current decent homes standard until **2033/34**. A separate section of this Business Plan is devoted to how the Council will meet the challenge.

The affects of affordable Housing Development on Voids – With nomination agreements linked to all windfall development sites through Section 106 agreements, the number of affordable housing developments has a direct affect on the number of voids that need to be turned around in any one year, and generally, they are received in batches, which affects the Council's ability to plan resources to address the voids. This has been a particular problem during 2009/10, with a higher than normal number of voids. This will continue for the next 3-years with around 605 affordable units in the pipeline.

Increases in building maintenance costs – Building costs are increasing by approximately 5-6% per annum, which is more than double the GDP inflation rate. However, given the effect of investment through planned maintenance, expenditure has been falling on an annual basis. The current economic down-turn has not resulted in tender price decreases.

Uncertain levels of demand for responsive repairs and voids expenditure – Between 2003/4 and 2008/9 responsive repairs and voids expenditure increased by around 21.6%. However, when we break this down, the responsive repairs element has only increased by 2.04% and voids has increased by 80.16%. Generally, adequate investment in planned maintenance should lead to a reduction in responsive repairs and voids expenditure. However, these are always the most difficult areas within the Housing Repairs Fund (HRF) to estimate given they are responsive to demand.

It is clear that the voids service has seen a significant increase in expenditure over the last 5-years from £473,532 in 2004/5 to £1.63 million in 2010/11. As explained above, the increase mirrors the number of affordable housing developments, but it also mirrors an increase in the amount of work that has been necessary due to the poor condition that tenants have left the property when they move out. In response, the Council has introduced a pre-vacation inspection procedure, whereby a Generic Repairs Officer will visit the tenant in advance of them moving out and giving the tenant advice on the what the Council expects the condition of the property to be in based on the terms of the tenancy agreement, to avoid the Council having to recharge for works at a later date when the tenant has moved out.

Continued demand for structural repairs – Expenditure on structural repairs has increased significantly in recent years. A number of Council properties were constructed using non-traditional building methods during the 1960's and now require additional levels of maintenance above traditional properties. Another contributing factor is the underlying soil type and geology, which is

predominantly London Clay. Therefore, buildings located within 30m of trees are at risk of subsidence if left unchecked. Since tenants are able to plant trees in their gardens, this is presenting a problem when maintaining the structural integrity of the properties. A number of structural repairs have been completed and there are likely to be other parts of the Council's stock also requiring similar levels of investment.

The Council is not insured for subsidence, heave and landslip as estimates showed that premiums were likely to be higher than expenditure.

Increasing costs for servicing and improvement/replacement of existing central heating – All Council tenants requesting central heating now have heating installed. Likely resultant trends include: increasing servicing and repair costs; increased costs to replace existing systems when beyond repair; the need to upgrade partial central heating systems; reduction in demand for welfare heating; and the ongoing need to replace warm air heating systems with 'wet' central heating systems.

Continued demand for planned maintenance expenditure – An ageing stock will require increased levels of repairs although this can be offset by a planned maintenance programme. Nationally there is a trend for higher standards in social housing (as demonstrated by the decent homes initiative) and the Council must ensure that the requirements of decent homes are balanced against the need for ongoing investment in its stock to protect its value and long-term let-ability.

Repairs Refresh Programme – This is an opportunity to re-think the way in which the Council provides a repairs and maintenance service for our tenants. The appointment of an External Contract Repairs Manager is an innovative approach to injecting the benefits of the commercial private sector into our existing in-house repairs service. However, it is anticipated that any efficiency savings are set out as measurable targets, which will help offset any additional costs.

Need to tackle anti-social behaviour through the use of CCTV – With an increase in anti-social behaviour, which results in an increase in the amount of expenditure on repairing damage caused through vandalism, consideration needs to be given to combating this growing problem. Work is on-going between the Council and the Police Service, which has resulted in a CCTV Policy being drawn up by the Head of Environmental Services. A small on-going budget for the installation of CCTV surveillance systems has been included within the investment programme.

Recruitment of skilled craft workers – With the current recruitment freeze, there will be a heavier reliance on the use of sub-contractors to undertake repairs and maintenance, and with the Olympics coming to East London in 2012, there is a real possibility that contractors and sub-contractors will be pulling resources to more lucrative development sites in and around London in the lead up to the London Olympics. This could lead to higher building costs and a shortage of skilled labour.

Economic downturn – Much has been reported about the current economic downturn, with the construction industry being hit hard. Whilst this is mainly affecting new build, general maintenance work is less affected. In order to help local businesses through these difficult financial times, all Council tenders will seek to include at least one local business on the list of tenderers.

**Reform of HRA Finance System** – The Coalition Government is continuing to push forward with the plans to abolish the HRA Subsidy system, by off-loading the debt onto Local Authorities. The debt offer and the effects this will have on the Council's finances has yet to be determined, but it is expected to have a big impact in future years. Future Business Plans will explore this once an offer has been made and the effects analysed.

## **6.2 Investment Needs**

This section provides a summary of the main areas of investment identified by the stock condition survey. A separate section deals with needs arising from the decent homes initiative. These are broken into the same categories used in Appendices A (summary of expenditure over a 5 year period) and B (summary of expenditure over the next 30 years).

### **6.2.1 Future Planned Maintenance**

There are a number of major works that can be identified from the stock condition survey, other major improvement schemes or development opportunities. These have been prioritised taking into account the decent homes criteria and Appendix A details the investment strategy over the next five years. Appendix B shows this same information over the next 30 years.

One aspect of the Repairs Refresh Programme has seen a significant shift in the allocation of work from the responsive repairs service to the planned maintenance programme to be undertaken via larger more specialized framework agreements. This includes replacement kitchens, replacement front entrance doors, rewiring, replacement mains storage tanks and flat or pitched roof repairs, which would have previously been carried out in-house by the Building Maintenance Works Unit. Financially, this work is now falling on the capital programme rather than on the Housing Repairs Fund, which will require a greater revenue contribution to Capital Outlay (RCCO) in future years. The level of RCCO will need to be gauged on historical data rather than a predictable sum, since these are all relating to responsive repairs.

### **6.2.2 Cyclical Maintenance**

In order to prolong the useful life of components, it is necessary to carry out regular inspections, instigate repairs and undertake preventative maintenance on sub-components e.g. replacement boiler parts.

It is likely that further inspections will be required to building components not currently covered by cyclical maintenance. This is most likely to affect the inspection of all electrical systems in Council properties on an annual basis. However, until this happens the Council will continue to inspect the electrical systems as part of the void inspections and the stock condition survey.

Included in the Housing Repairs Fund around £2.35 million is spent per year on cyclical maintenance, which includes: the repair and redecoration of every property and garage every 5 years; the maintenance, service and repair of all Council owned gas appliances and the inspection and service of all Council owned hydro-mechanical lifts on an annual basis.

### **6.2.3 Responsive Repairs**

The current ratio of maintenance to repair expenditure is 69:31 (taking account of HRF and Capital expenditure), which is broadly in line with the recommended balance of 70:30 (based on HRF expenditure only).

This is maintained by monitoring the expenditure for day-to-day repairs by types of work and then developing maintenance programmes which would obtain better value for money. This process is currently being carried out at 6 monthly intervals, in September and March each year.

The Housing Repairs Fund makes allowance for around £5.2 million per year for the next five years, taking into account a 5% increase per annum in Building Cost Indices and a reduction of 0.8% for the rate of decline in stock numbers as a result of the Right to Buy scheme. The Capital programme includes around £2.982 million over the next 5 years for small capital repairs.

#### **6.2.4 Voids Refurbishment**

This area of expenditure is also mainly funded from revenue and as such the comments regarding the split between capital and revenue apply. It is expected that the authority will spend approximately £8.27 million over the next five years on void refurbishment.

#### **6.2.5 Cost Reflective Improvements**

Until the introduction of the Repairs and Maintenance Business Plan “Cost reflective” improvements had not previously been considered a separate category of works, since the Council’s rent structure was not based on a points system which takes account of individual attributes. Cost reflective improvements, such as kitchen and bathroom modernisations, have in the past not previously been considered as essential.

Feedback from tenants has established that they feel the Council should make its properties more attractive and desirable by introducing programmes such as kitchen and bathroom replacements. This has since been supported by the decent homes guidance, which requires authorities to have reasonable modern kitchen and bathroom facilities. In order to meet the requirements of the Decent Homes Standard, substantial investment is required in this area. The Council is using this opportunity to offer tenants a choice on the type and layout to suit individuals’ tastes and needs.

#### **6.2.6 Non-Cost Reflective Improvements**

Under this heading, the Council provides an environmental improvement scheme for improving parking provision on its estates by carrying out a jointly funded initiative between the HRA and the General Fund to provide off street parking.

The table in Appendix A makes allowances for £2,119 million over the next 5 years. This has been allocated towards improvements to estate footpaths, communal refuse facilities, off street parking (excluding general fund contributions) and new and enhanced external lighting.

#### **6.2.7 Disabled Adaptations**

The Council endeavours to carry out adaptations to properties to meet the reasonable needs of disabled tenants. This is based on assessments and recommendations from Social Services Occupational Therapists.

The Council’s previous commitment was to spend at least £300,000 per annum over the next 5-years on disabled adaptations. However, this was recently reviewed to take account of the likely needs of the ageing local authority tenancy profiles, which led to a 5% increase in the budget provision year on year. Appendix A shows a budget of £450,000 in 2011/12

#### **6.2.8 Other Maintenance and Repairs**

Other types of maintenance and repairs include: One-off capital schemes such as conversions of former scheme managers accommodation, decoration allowances for new tenants when they move into a home; internal decorations for elderly and disabled tenants; internal decorations to the common areas within the Council’s sheltered housing schemes; and compensation payments to tenants who undertake improvements to their homes themselves and subsequently move out leaving behind the improvements they have carried out.

## 7. Decent Homes

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### 7.1 Background

In July 2000, following its spending review the Government announced a significant increase in resources for housing, especially social housing. This was on top of substantial increases announced in 1998. As part of its desire to link increased spending to better outcomes, the Government has established a target to:

“ensure that all social housing meets standards of decency by 2010, by reducing the number of households living in social housing that does not meet these standards by a third between 2001 and 2004 with most of the improvement taking place in the most deprived local authority areas.” Under the Government’s Decent homes initiative a decent home meets the following criteria:

**a) Any residential premises should have a safe and healthy environment for any potential occupier or visitor (Formally the statutory minimum standard for housing)**

**b) It is in a reasonable state of repair**

Dwellings which fail to meet this criterion are those where either:

One or more key building components are old and because of their condition need replacing or major repairs: or

Two or more of the other building components are old and because of their condition need replacing or major repair.

**c) It has reasonable modern facilities and services**

Dwellings which fail to meet this criterion are those which lack three or more of the following:

A reasonably modern kitchen (less than 20 years old)

A kitchen with adequate space and layout

A reasonably modern bathroom (30 years old or less)

An appropriately located bathroom and WC

Adequate insulation against external noise (where external noise is a problem)

Adequate size and layout of common areas for blocks of flats.

**d) It provides a reasonable degree of thermal comfort**

This criterion requires dwellings to have both effective insulation and efficient heating. To deliver against the targets the Council needs to:

quantify the level of non decent housing both now and arising by 2010, in its stock;

develop an investment strategy to tackle this; and

measure progress towards its elimination.

### 7.2 Achieving the Standard

The Council was able to announce last year that all of its properties had now been assessed and where necessary modernised to meet the Decent Homes Standard. This was a significant achievement, not only because it was some 8 months ahead of the Governments target deadline of December 2010, but also because the Council had achieved the target without any additional grant from the Government. Since the standard was announced in 2000, the Council has carried



out major improvements such a replacement kitchens, bathrooms, heating systems, double-glazed windows, front entrance doors, better insulation or re-roofing to over 3,500 homes.

The next challenge is to maintain the stock in good condition so that no homes become non-decent. This means the Council has to continue to assess and monitor the condition of properties in advance, and then programme those that will potentially become non-decent into one of the relevant planned maintenance programmes.

### **7.3 Quantifying the level of potential non-decent homes**

One area, which requires significant investment to prevent homes from becoming non-decent relates to kitchens and bathrooms under the 'Reasonably Modern Facilities' category. Since 2002, the Council has already invested £5.45 million to improve the quality and layout of bathrooms and kitchens in properties where facilities are seen as being in the worst condition, and around £7.93 million is planned to be invested over the next 5-years.

Another significant area for investment arising from the decent homes standard concerns the Reasonable State of Repair category. Properties failing under the Reasonable State of Repair criteria will generally be addressed as part of the existing cyclical maintenance programme which already covers most of the repairs identified, such as re-pointing, repairs to chimneystacks, doors and windows etc. However, there is a significant requirement to invest in replacement heating systems and electrical re-wiring, where around £6.17 million has been spent on replacement heating and boiler replacement, and around £4.03 million on electrical rewiring since 2002.

The Council also acknowledges that the thermal comfort of some properties needs to be addressed, not only to prevent a home from becoming non-decent but also to prevent the tenant from falling into fuel poverty. Generally, the Council has a good track record in improving heating in properties and 5,911 already have gas central heating installed. There are however, some properties (particularly in the rural areas) which do not have access to mains gas and which require heating and insulation improvements. Alternative fuel sources for heating are being trailed, such as air-source heat pumps, modern electric boilers and solar panels.

### **7.4 Investment Strategy**

The stock condition database can be interrogated in such a way that lists of all the properties that fail or potentially fail the criteria can be produced. Using this information a programme of work has been developed without having to undertake additional survey work.

The key strategy which has been employed to develop programmes of work is to look at where properties are failing and then only undertake work which will ensure that they are not caught by the criteria. For example, where properties fail on three or more categories under the Reasonably Modern Facilities heading just one category of work will be improved so that they no longer become non decent. Under this heading the standard says that properties must fail on three or more of the categories listed to become non-decent. In this way, although additional investment would still be required, the number of homes that are non-decent or could become non-decent can be reduced.

Using this approach, as of 2001 a total of £14 million was required to eliminate non-decent homes by 2010. However, this did not include the resources necessary to prevent properties becoming non-decent. The next section discusses the funding gap between the full level of maintenance work required under the stock condition survey and the Council's ability to fund improvements.

## **7.5 Measuring progress**

The on-going stock condition surveys are updated on the Council stock attribute database. This data is also amended to include work already undertaken to the Council's stock as and when contracts are completed. This informs the Council on the funding needed to maintain the housing stock at the Decent Homes Standard, and is the basis of the 5 and 30-year profiles at appendix A and appendix B.

## 8. Resources & Expenditure Proposals

### 8.1 Financial

As highlighted earlier, there are a number of uncertainties over future projections of the financial resources likely to be made available. Repairs and Maintenance expenditure is currently funded through;

Contributions from the Housing Revenue Account (HRA) to the Housing Repairs Fund (HRF)  
 Transitional Capital Receipts  
 Revenue Contributions to Capital Outlay (RCCO).  
 Major Repairs Reserve (MRR)

The following issues are worthy of note at this stage:

The outcome of the HRA Reforms and the determination of the debt allocation to the Council has yet to be announced or modelled. This will have a significant effect on the future funding arrangements for responsive repairs and planned maintenance.

At the moment, the contribution from the Housing Revenue Account (HRA) has been set at £5.2 million each year for the next 5-years.

Funding is provided from the MRR at £4,873 million for 2011/12, although this varies for the next 5 years as laid out in the table below.

The following table indicates an assessment of the use of capital resources, which are forecast to become available over the next five years. The Capital programme is updated annually in June.

FUNDING SOURCE	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's
MRR	4,783	4,873	4,775	3,731	3,731
RCCO	1,763	2,050	2,050	2,050	2,050
GF - RCCO	47	22	0	0	0
Leaseholder Contributions	50	50	50	50	50
Total	6,643	6,995	6,875	5,831	5,831

At the conclusion of the five-year period that the Council is forecast to have balances of approximately £8.995 million on the Major Repairs Reserve, which are not being allocated at this stage.

#### 8.1.1 Overall Investment Strategy – 5 Year

Based on the income projections shown in the above table, a detailed programme of expenditure has been prepared which can be found at Appendix A demonstrating how the Council currently intends to spend the resources available for repairs and maintenance. This is based on two main priorities:

a) Maintaining the Decent Homes Standard by preventing homes from becoming non-decent; and

b) The need to invest in the stock to improve its condition as determined by the on-going stock condition survey. Appendix A adds together all anticipated capital expenditure for a 5-year period up to and including 2014/15.

<b>SUMMARY OF THE HOUSING CAPITAL FIVE YEAR PROGRAMME – AS AGREED</b>					
Detail	FORECAST SPENDING				
	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's
Future Planned Maintenance	2,749	3,027	3,145	2,998	2,998
Structural Schemes	407	400	400	400	400
Cyclical Maintenance	5	5	5	5	5
Small Capital Repairs (inc voids)	900	632	464	493	493
Cost Reflective Repairs	1,699	1,672	1,520	1,204	1,204
Non-cost Reflective Repairs	199	660	826	217	217
Disabled Adaptations	427	450	450	450	450
Others, including contingencies	250	73	15	15	15
<b>TOTAL EXPENDITURE</b>	<b>6,636</b>	<b>6,919</b>	<b>6,825</b>	<b>5,782</b>	<b>5,782</b>
<b>TOTAL FUNDING, including M.R.R and Capital Receipts (excluding carry forwards)</b>	<b>6,636</b>	<b>6,919</b>	<b>6,825</b>	<b>5,782</b>	<b>5,782</b>

The above table reflects a programme of planned maintenance works that is affordable based on an agreed Capital Programme. However, the agreed capital programme does not currently reflect what is needed to maintain the Council's housing stock to a decent standard. The table below illustrates a programme of work based on the stock condition data to maintain the Council's housing stock at the Decent Homes Standard.

<b>SUMMARY OF THE HOUSING CAPITAL FIVE YEAR PROGRAMME – BASED ON BUSINESS PLAN IDENTIFIED NEED</b>					
Detail	FORECAST SPENDING				
	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's
Future Planned Maintenance	2,749	3,535	3,281	3,016	3,331
Structural Schemes	407	700	750	700	600
Cyclical Maintenance	5	5	5	5	5
Small Capital Repairs (inc voids)	900	888	464	493	485
Cost Reflective Repairs	1,699	1,627	2,176	1,173	1,625
Non-cost Reflective Repairs	199	838	268	266	266
Disabled Adaptations	427	450	450	450	450
Others, including contingencies	250	70	70	70	70
<b>TOTAL EXPENDITURE</b>	<b>6,636</b>	<b>8,113</b>	<b>7,464</b>	<b>6,173</b>	<b>6,832</b>
<b>TOTAL FUNDING, including M.R.R and Capital Receipts (excluding carry forwards)</b>	<b>6,636</b>	<b>6,919</b>	<b>6,825</b>	<b>5,782</b>	<b>5,782</b>

Each table compares the planned expenditure against the anticipated funding position. However, it is clear from the second table that the total expenditure or investment which is required for the stock to be prevented from becoming non-decent is insufficient. Maintaining homes at the decent homes standard, the priorities established by the stock condition survey and existing expenditure already approved and contained within housing budgets would require capital funding of approximately £35 million in total over the next five years. Current estimates show that around £32 million is likely to become available over the same time period through capital funding. It is anticipated that the shortfall would be funded from balances.

Revenue expenditure covering repairs, voids, cyclical maintenance and disabled adaptations is estimated at £5.2 million per annum. HRA contributions to the HRF will be able to support this expenditure.

### **8.1.2 Overall Investment Strategy – 30 years**

Appendix B provides an analysis of capital, or investment expenditure, over a 30-year period. There are a considerable number of doubts over the validity of some of the projected figures over this period of time but nonetheless this table provides the best estimate given the information currently available. Using this information the available funding will not meet all requirements identified in the stock condition survey by approximately £17.54 million over the 30-year period. Five years ago, the Business Plan identified a funding gap of approximately £60m. This has reduced as a result of anticipated increased investment through capital receipts and the MRA. Again the funding gap is discussed more in the HRA Business Plan, which refers to the Stock Options Appraisal exercise.

The current revenue expenditure on repairs and maintenance can be maintained for a further **22 years** before the HRA falls into deficit. This is covered within the HRA Business Plan.

### **8.1.3 Maximising Value**

It is essential that the Council adopts a value for money approach so that resources can be used to maximum efficiency. To this end a strategy has been adopted which seeks the replacement of building components just before they break down. This is known as a 'just in time' strategy and is based on industry standard assessments for the lifetime of components. At the same time the lifespan of building components such as heating appliances are extended by the replacement of sub components where possible. The investment requirements outlined in this section are based in part on these strategies.

Another issue is the use of option appraisals for all redevelopment and refurbishment schemes. This approach has already been used for the redevelopment of a sheltered scheme, major refurbishment at Springfields, Waltham Abbey and has been applied to assess the best option for the future of the Council's homeless hostel. This approach is clearly not appropriate for every maintenance project but where significant expenditure is required for a contained number of properties it can be a useful guide to the most cost effective route.

### **8.1.4 Efficiency Savings**

Following Sir Peter Gershon's review of public sector efficiency, which identified the need to achieve value for money savings through better procurement in order to release resources to support the key policy objectives of the Government, an annual efficiency statement is completed by the Council as a whole. As a result all areas of the service are being examined to identify ways in which the way in which repairs and maintenance can become more efficient.

Significant savings have been identified as a result of the use of framework agreements or partnering contracts, undertaking work in-house through training that was previously undertaken by specialist contractors, generating income by using a sole utility provider as part of the void process, negotiating with contractors over price increases below DTI indices wherever possible and investing in alternative technology to reduce long-term costs.

The 3-year actual and assumed savings for 2009/10 to 2011/12 for the Housing Directorate is £2,984,241, of which £2,301,708 is generated from Repairs and Maintenance.

## **8.2 Partnering – The Egan Approach**

Full project partnering has been applied to embrace contractors and suppliers for a range of planned improvement contracts including the kitchen and bathroom programme, new heating installations, rewiring external repair and redecoration work and Gas Servicing. Framework agreements are also widely used for specialist areas of work where the frequency cannot be predicted with any accuracy. This has resulted in significant efficiency savings, which are included in the Council's annual efficiency statement.

## **8.3 Value for Money**

### **8.3.1 Essex Hub – Essex wide procurement**

In October 2006, the Council joined the "Essex Procurement Hub", which brings new opportunities to deliver greater value for money for the procurement of goods and services. The Hub works in two ways, one by combining the buying power of many Local Authorities across Essex to get lower costs through the economies of scale, and another by utilizing the expert knowledge and skills of the procurement team who prepare contracts, mainly as framework agreements and tender the works on behalf of the Council. This is a corporate initiative, which is now integrated into the Council's Contract Standing Orders. Housing Services consults the Procurement Hub whenever future contracts are to be let.

### **8.3.2 Use of new and innovative Contract types**

The Council is required to obtain value for money, and one area of achieving this is to search out alternative new and innovative forms of contract when undertaking works. This has always been the practice when considering future planned maintenance contracts, which can be demonstrated through the use of partnering contracts and framework agreements. However, for larger contracts, the Council has explored the use of Management Contracts, whereby the Council acts as the Main Contractor and employs and co-ordinates sub-contractors directly.

The first example of this was when there was a major fire at Limes Farm, whereby Consultants acted on the Council's behalf, and was recognised by the Council's Insurance Company as an exemplar method of contracting in order to obtain value for money. This has since been adopted as the method of procuring and administering schemes such as flat to house conversions and the recent Careline Conversion.

The latest innovative approach to contracting is the "In-sourcing" model currently being explored for the appointment of the Repairs Management Contractor, which was discussed earlier in the Business Plan.

### **8.3.3 Benchmarking**

The last benchmarking exercise that took place was in January 2007, which compared at the schedule of rates used by the Building Maintenance Works Unit against a range of 20 comparison

organizations within the Home Counties and to look at organization overheads in comparison to private repairs contractors.

It was clear that of the 20 Local Authorities that were compared, only 2 undertake the majority of their responsive repairs through a Building Maintenance Works Unit, whereas 5 operate their own Building Maintenance Works Unit alongside external contractors. There were 8 Local Authorities that outsourced their whole contracting element of the repairs service

Based on the Schedule of Rates comparison, it was suggested that on average, the Building Maintenance Works Unit were securing keen material prices. However, on average the Schedule of rates were 1.64% higher than average. It was suggested that this was due to the relatively small scale of the Building Maintenance Works Unit in comparison to the other organisations included in the study.

When comparing wage rates, it was suggested that in general, the salary rates were in line with national averages with the exception of carpenters, which are slightly higher than average.

There were some areas of concern expressed as part of the benchmarking exercise. The existing salary system should be more performance based, taking account of output or targets, quality, completion of jobs on time, fix first time and tenant satisfaction. However, this works against the principles of the recent Job Evaluation exercise implemented in 2005/6.

Further benchmarking exercise of the whole of the Housing Service was undertaken using "Housemark", which is a national housing benchmarking organisation in Autumn 2006, and again in November 2008. These benchmarking exercise enabled us to compare our service based on detailed performance and cost data. In the main, the comparison organisations were housing associations rather than Local Authorities. However the results give a good indication of the level of performance and cost by comparison to others. A further benchmark exercise is due to take place once the External Repairs Management Contractor is appointed in May 2011. This will enable a more commercial look at the costs compared to the profit and loss accounts used in the commercial sector.

## **9. Risk Management**

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### **9.1 Introduction**

Risk management can be defined as the consideration of the social, economic, political and other factors involved in risk analysis to determine both the acceptability of damage that could result from an event or exposure and what, if any, action should be taken with regard to the risk of that damage.

### **9.2 Corporate Risk Register**

A Corporate Risk Management & Assurance Group has been established, made up of Officers from each Council Service, to produce and regularly review a Corporate Risk Register, and to collate service based risk assessments. The Asst. Director (Private Sector & Resources) is the representative of the Housing Directorate.

### **9.3 Housing Risk Register**

In early 2005, the former Housing Services produced its own Housing Risk Register, which identified the strategic and operations risks affecting Housing Services. Strategic risks are those that have an effect on the Council as a whole, where individuals, sections or even Housing Services has a whole have no total control over the outcome of risk management. Operational risks are those that affect individuals or sections of Housing Services, or the Housing Service as a whole, and will have little or no impact on the Council. The Risk Register is updated 6-monthly, and an action plan created and monitored for those risks that are above the “critical line”. All risks associated with the Housing Repairs Service and Housing Assets are included within the Housing Risk Register.

The Housing Risk Register has been developed by applying a risk analysis, whereby each of the identified risks are assessed in terms of likelihood and impact. “Likelihood” ranges from “very high” to “almost impossible” and “Impact” ranges from “catastrophic” to “negligible”. Risk management is applied to each of the identified risks, through exploring the best options to reduce either likelihood or impact or both. Not all risks can be reduced, but they can be managed. The action plan for “critical” risks relating to Repairs and Maintenance are included in Section 9 of this Business Plan.

### **9.4 Key Housing Operational Risks – Repairs and Maintenance**

The following have been identified as the Key Housing Repairs and Maintenance Operational Risks within the Housing Risk Register:

- The HRA falling into deficit
- Some services are delivered through decentralised offices
- Major failure of the integrated housing IT system
- Loss or insolvency of, or poor performance by, a major contractor/supplier
- Major incident, involving death or serious injury, due to poor health and safety procedures, or breach of health and safety legislation
- Significant overspend on a major housing maintenance contract
- Fraud, corruption and theft
- Loss of important paper records
- Failure to comply with Government or legislative requirements
- Uninsured losses, especially through subsidence, heave or landslip
- Catastrophic budget overspends



## 10. Strategies

This section of the document lists the main strategies, which flow from firstly, the objectives, strategies and policies previously agreed by the authority and secondly, the issues discussed in this plan. Where these have clear links with corporate objectives or Best Value/Business Plan Guidance this is identified. There may not be current funding available to achieve all targets, but the effect of these strategies will be to focus available resources.

	Strategy	Link with Corporate Objective/Guidance
<b>A</b>	<b>Maintenance and Repair Programmes</b>	
1	<p>To develop ongoing programmes of maintenance and repairs expenditure for a period, of five and 30 years based on:</p> <p>Projections of the amount of funding likely to be available for repairs and maintenance;</p> <p>The findings of the stock condition survey;</p> <p>The number of homes that could potentially become non-decent and reasons for them becoming non decent;</p> <p>Patterns of demand for responsive repairs;</p> <p>Likely number of voids linked to the number of affordable units developed in the district;</p> <p>Key targets (see below);</p>	<p>ODPM Guidance on Business Plans</p> <p>EFDC Council Plan</p> <p>EFDC Performance Plan</p> <p>EFDC HECA Strategy</p> <p>EFDC Fuel Poverty Strategy</p> <p>Decent Homes Guidance</p> <p>Housing Services Risk Strategy</p> <p>Equalities Impact Assessments</p> <p>Housing Strategy</p>
2.	<p>To achieve the following key targets:</p> <p>Replace all communal heating systems in properties (other than at Sheltered Accommodation) by the end of 2012/13.</p> <p>To replace all boilers with concealed vertical flues (for H&amp;S reasons)</p> <p>Average SAP rating of 70 by end of 2012/13</p> <p>Continue to explore alternative fuel sources for properties in the rural communities where properties are harder to insulate and affordably heat, including the use of new air source heat pumps.</p>	<p>EFDC Council Plan</p> <p>EFDC Performance Plan</p> <p>Housing Services Strategy on Energy Efficiency</p> <p>HECA Strategy</p> <p>EFDC Fuel Poverty Strategy</p>
3.	<p>To ensure maximum value for money from maintenance expenditure by:</p>	<p>ODPM Guidance on Business Plans</p> <p>Value for Money Strategy</p>

	<p>Extending the life cycle of building components as long a possible so that they are replaced 'just in time.'</p> <p>Using criteria for the replacement of sub components to extend the lifetime of heating systems, door entry systems, window units and other building components.</p> <p>Employing option appraisals where significant maintenance expenditure is required on a limited number of properties.</p>	
<b>B.</b>	<b>Responsive Repairs and Voids Work</b>	
1.	To continue to reduce expenditure on voids in line with the recommendations of the Voids and Lettings Study by ensuring as much work takes place as possible through planned maintenance contracts.	Voids and Lettings Study
2.	To aim to spend the HRF allocation from the HRA each year whilst acknowledging the fluctuating nature of repairs and maintenance programmes.	EFDC Housing Strategy Housing Services Risk Strategy
3.	<p>To improve the all-round performance of the Repairs Service for our tenants and leaseholders.</p> <p>To combine the Housing Repairs Team and the Building Maintenance Works Unit</p> <p>To reduce the number of craft workers, but retaining a core to undertake a proportion of the day to day ad hoc repairs to the Council's Housing Stock, and/or those to void properties</p> <p>The balance of the work not undertaken directly by the Council being externalised via new or existing framework agreements.</p> <p>To appoint a Repairs Management Contractor to supervise the combined Building Maintenance Works Unit and Repairs Service, thus bringing in the added benefit of private sector knowledge and experience.</p>	Repairs Refresh Programme Continuous Improvement Plan
<b>C.</b>	<b>Resources</b>	
1.	To maximise funding on maintenance expenditure by:	Housing Services Risk Strategy Capital Strategy

	<p>Making use of available capital receipts where possible.</p> <p>Using RCCO where possible.</p> <p>Transferring approximately £5.2 million from the HRA into the HRF each year for a further 4-years.</p>	
2.	To review the level of staffing resources annually against the planned level of expenditure.	<p>Repairs Refresh Programme</p> <p>Value for Money Strategy</p>
3.	Monitor repairs and voids expenditure every six months to identify patterns in expenditure, which could be incorporated into a planned maintenance programme through the use of new or existing framework agreements.	
<b>D.</b>	<b>Tenant Consultation and Participation</b>	
1.	To discuss expenditure plans and programmes of work with the Tenants and Leaseholders Federation at least annually.	EFDC Tenant Participation Agreement
2.	To involve representatives of the Tenants and Leaseholders Federation in discussions on new policies relating to the Repairs and Maintenance Services.	<p>EFDC Tenant Participation Agreement</p> <p>Housing Services Risk Strategy</p>
3.	To consult tenants affected by major improvement schemes over the proposals.	
4.	To consult leaseholders on all planned improvements in line with Leasehold legislation	
5.	To undertake a “Customer Perspective” review of the Repairs Service	Customer Perspective Programme
6.	To consult the Repairs and Maintenance Focus Group on the future of the R&M service.	Continuous Improvement Plan
<b>E.</b>	<b>Contract Strategy</b>	
1.	<p>To explore new and innovative forms of contract to ensure value for money and minimise risks to the Council.</p> <p>To continue to use either framework agreements or Partnering contracts for new areas of work as our default form of contract.</p>	<p>Value for Money Strategy</p> <p>Housing Services Risk Strategy</p>

2.	To utilize the Essex Hub wherever possible to enter into framework agreements with (sub) contractors or suppliers.	Value for Money Strategy Contract Standing Orders
3.	To undertake, where appropriate, capital works using Contract Management methods in conjunction with our existing framework agreement sub-contractors so as to save paying overheads and profits to construction companies.	Value for Money Strategy Contract Standing Orders

## 11. Action plan

### 11.1 List of main actions flowing from the plan

This table lists the main areas of action required within the Housing Repairs Service and the Housing Assets Sections to achieve the strategies detailed in the previous sections.

	Action	Officer responsible	Target date	Progress
1.	Implement programme for repairs and maintenance expenditure over 5 and 30 years.	HAM ADoH(P)	Ongoing	Included in this plan
2.	Implement upgrade to latest version of the NHER Energy Efficiency software to capture Level 1 data	HAM	Sept 2011	Planned for Sept 2011.
3.	To publish clear service standards for planned maintenance, Decent Homes, repairs, Right to Repairs and Leaseholder responsibilities, which are available in printed leaflet form and on the web site (Also relates to NI14 – Avoidable Contact Action Plan).	HAM	July 2011	To follow the outcome of the Customer Perspective programme.
	To publish the Voids standards on the Web site and to issue a copy to all tenants in advance of them undertaking a viewing or a void offer.	CRM	Dec 2010	To follow the outcome of the Voids Working Group and the Customer Perspective programme.
4.	Timetable at least one meeting each year with the Tenants Federation to discuss the repairs and maintenance expenditure programme.	ADoH(P) HAM	Ongoing	Tenants Federation meet in March each year to consider the repairs and maintenance expenditure.
5.	Introduce Asbestos record cards in all properties, and maintain the records for contactors and tenants use.	CRM	Apr 2011	Item previously deferred due to the restructure. To be undertaken in conjunction with the Repairs Refresh Programme.
6.	Closer partnership working with ECC Social Care Occupational Therapists to better forward plan the budget required to meet the ongoing and future demand for disabled adaptations.	HAM	April 2011	
7.	Explore options whereby emphasis is put on “fix first time” for responsive repairs.	CRM	Dec 2011	(a) To be undertaken in conjunction with the Repairs Refresh Programme.
	Seek, through the Essex Hub, a framework agreement with	HAM	March 2011	(b) Identified through Repairs Refresh

	specialist contractors for, Drainage clearance, UPVC window installation and maintenance, External Repairs and Redecorations, Digital TV maintenance, bathroom adaptations, Energy Efficiency as well as ad-hoc repairs where necessary			Programme, and planned maintenance programmes.
8.	To continue with the Repairs Focus Group once set up, and create an action plan for inclusion in the Repairs Refresh Programme	ADoH (Prop)	Quarterly	On-going
9.	Continue feasibility studies into alternative fuel sources for properties in rural communities where mains gas is not available.	HAM	April 2011	Installing air source heat pumps and solar heating panels as well as replacing old electric storage heating with electric boilers incorporating traditional radiators have received positive tenant feedback. Report on the benefits to be incorporated in the Energy Efficiency Strategy.
	To explore external wall insulation for solid wall constructed properties, and to seek grant funding to support future programmes	HAM	April 2012	Awaiting HEEP funding notification
10.	To review all projects with a contract value in excess of £1m on completion to identify any lessons learnt.	HAM HRM	On-going	On-going
11.	Seek to reduce the target response times for routine repairs from 6-weeks to 2-weeks Urgent repairs from 5-days to 3-days Emergency repairs from 24 hrs to 4 hours Void turnaround times from 6-weeks to 2-weeks	RMC	April 2012	Identified through Repairs Refresh Programme, and incorporated in the RMC Contract
12.	To appoint an external Management Contractor to oversee the combined Building Maintenance Works Unit and Repairs team as agreed by the Cabinet in March 2008.	ADoH(P)	May 2011	Tenders to be reported to the Repairs Advisory Group and then to be approved by the Housing Portfolio Holder in March 2011 for a start in May 2011.
13.	To implement a range of initiatives, as defined in the Repairs Refresh Programme:  To develop better supply chain arrangements with suppliers and sub-contractors to ensure value for money. This is to include a	RMC	Over a 3 year period after appointment.	

	<p>review of the current stores systems</p> <p>To develop better pricing models for works undertaken and where necessary recharged to ensure value for money. Building the team to ensure excellent HR practices are used, which will build a skilled, high performance, customer focused and motivated team.</p> <p>Introduce an IT system for developing an effective R&amp;M service from the point of order to completion and post inspection actions. To include mobile working for operatives.</p> <p>To implement a customer focused service by implementing a full appointment system, extended opening hours and to operate a discretionary service to undertake tenants responsibility repairs.</p> <p>To reduce the number of jobs carried out as emergencies and urgent and bring the ratio of jobs to the recommended 10:20:70 for emergency, urgent and routine respectively.</p>			
14.	To develop a Value for Money Strategy	ADoH (P)	March 2012	
15.	To develop a separate Repairs and Maintenance Service Strategy	ADoH (P)	July 2011	
16.	To seek to include at least one local business on the list of tenderers for all future contracts.	HAM / HRM	On-going	New at the request of the Tenant and Leaseholder Federation Meeting in 2009





## Appendix A – 5-Year Capital Programme

**[ To Follow ]**

**[ To Follow ]**





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Affordable housing	Subsidised housing for rent or shared ownership, for people who cannot afford to purchase a property on the open market.
Arms length management organisations	Companies (or other legal bodies) set up and owned by the Council - but operating separately from it and governed by its own board or committee - to manage services on behalf of the Council.
Asset Management Plan	A plan the Council produces every year, explaining how it manages its non residential land and buildings.
Benchmarking	The process of comparing an organisation's costs and performance with other similar organisations.
Best Value	The process of ensuring the continuous improvement of public services, through service reviews, <i>benchmarking</i> , consultation and inspection.
Black and minority ethnic (BME) groups	Groups of people within local communities whose race is either black, or another race, that is in the minority within the UK.
Cabinet	An important Council committee, comprising ten senior councillors, each responsible for a <i>portfolio</i> , that makes corporate Council decisions.
Capital expenditure	Money spent to buy or improve assets (e.g. land or buildings)
Capital receipt	Money received for the sale of a capital asset (eg land or buildings)
Catch-up repairs	Repairs that should have been undertaken earlier, and now need to be undertaken within the next 5 years.
Choice-based lettings	A scheme whereby people in need of <i>affordable housing</i> can ask to be considered for specific vacant Council or <i>RSL</i> accommodation. This is instead of such accommodation being allocated to applicants on waiting lists on the basis of housing need, with only a very limited choice being given.
CIPFA	The Chartered Institute of Public Finance Accountants. The body that sets the guidelines for Council financial accounts.
Comprehensive Spending Review	A review by the Government on how much money should be spent on all the different types of public services (e.g. housing) over a set period (usually three years).
Crime and Disorder Reduction Partnership	Representatives of local statutory and voluntary organisations with an interest in, or responsibility for, reducing crime within the District, including the Council, Essex Police, Probation Service, Epping Forest CVS, Social Services.
Direct Service Organisation (DSO)	A Council department that provides the same service as a private contractor, and operates in the same way as a private contractor.
East of England Region	The region of England in which the Epping Forest District is situated, covering the counties of Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk.
Floating support	Practical support provided to those in need by a support worker for a temporary period, until such time as the support is no longer required, when the support is discontinued and provided to others who have a need.
Fuel poverty	When a household needs to spend more than 10% of their household income to achieve a satisfactory standard of heating.

General Fund	The Council's financial account that deals with income and expenditure relating to all the Council's services, part of which is the ring fenced <i>HRA</i> .
Halifax House Price Index	A source of information, operated by the HBOS Bank, that provides details of average house prices and house price trends in local areas, based on information providing by mortgage applicants.
Housing association	See <i>Registered Social Landlord</i> .
Homes and Communities Agency	The Government agency that funds <i>registered social landlords (RSLs)</i> .
Housing Revenue Account (HRA)	The Council's financial account, within the <i>General Fund</i> that deals with income and expenditure relating to the management and maintenance of the Council's housing stock.
Housing Revenue Account (HRA) Business Plan	An annual plan produced by the Council that analyses issues relating to the Council's own housing stock and sets out the objectives, targets, plans, income and expenditure for the management and maintenance of its housing stock over the next 5-30 years.
HRA subsidy	An annual revenue subsidy provided to local authorities by the Government to assist with the management and maintenance of their housing stock.
ISO 9001:2008	An internationally recognised system of ensuring the provision of quality services, that is checked by external assessors.
Major repairs allowance (MRA)	An annual Government subsidy given to local authorities to assist with the maintenance of their housing stock, calculated by a formula based on the type and age of the housing stock.
Department of Communities and Local Government (DCLG)	The Government department that replaced the Office of the Deputy Prime Minister (ODPM) and has responsibility for formulating and implementing the Government's housing policy at a national level and allocates resources for different national housing programmes.
Out of charge properties	Properties for which the Council cannot use for a long time, and for which no rent is being received.
Portfolio Holder	A senior councillor, who is a member of the <i>Cabinet</i> , responsible for specific areas of Council work (eg housing, finance etc). The Council has a number of portfolio holders, with the number reviewed each year.
Private Finance Initiative (PFI)	A way of enabling private companies to provide large amounts of money to construct or purchase public buildings, and then manage them over a long period, in return for a management fee paid by the public organisation responsible for providing the service.
Prudential borrowing	A new system being proposed by the Government, that would not restrict how much councils could borrow to fund capital expenditure. However, councils would only be able borrow money that they know they could pay back over the years of the loan, from their day-to-day income.
Registered Social Landlord (RSL)	A non-profit making organisation (usually a housing association) that is registered with, and regulated by, the <i>Housing Corporation</i> . They are run by a voluntary Board of Management, and employ professional housing officers to manage the organisation.
Revenue contributions to capital outlay (RCCO)	Rental or other income used to pay for capital expenditure.
Right to Buy	A Government scheme that allows Council tenants, who have held tenancies for more than two years, to buy their own home from the Council. Discounts are currently given of up to £34,000, depending on how many years they have

	held tenancies.
Self-financing (HRA)	A method of operating the HRA, whereby all the expenditure and costs relating to the HRA are completely funded from the Council's rental income, without the need for any Government subsidy.
Sheltered housing	Independent accommodation provided to elderly people, with support from a Scheme Manager and an emergency call facility, usually having a communal lounge facility.
Social exclusion	The situation where individuals, or groups of individuals, within the community do not have the means, material or otherwise to participate in social, economic, political or cultural life.
Social Housing – Existing Use Value	A way of valuing Council or housing association properties, taking into account the fact that the rents charged are much lower than for private properties.
Social Housing Grant (SHG)	Capital funding provided to <i>RSLs</i> by the <i>Housing Corporation</i> to enable them to build or acquire <i>affordable housing</i> .
Social inclusion	The process whereby people do not experience <i>social exclusion</i> .
Social landlords	Generally, <i>RSLs</i> and local authorities.
Standard Assessment Procedure (SAP)	A measure of how energy efficient a property is, between a score of 0 –120 (previously 0 –100). A score of 120 is the most energy efficient.
Stock condition survey	A survey of the inside and the outside of some of a council's properties, that gives an indication of the condition of all the properties
Stock Options Appraisal	A process to determine the most appropriate future ownership and management of the Council's housing stock.
Supported housing	Housing where the tenants need help – e.g. sheltered housing for the elderly or housing for people with physically disabled people.
Supporting People	A Government initiative introduced in April 2003, which brings together sources of funding for supported housing into county-wide "pots" for distribution to supported housing providers within the County, based on locally determined priorities, through agreed contracts. County-wide "commissioning bodies" produce Supporting People Strategies explaining how the funding will be distributed.
Supporting People Commissioning Team	The team of County Council officers responsible for managing and administering <i>Supporting People</i> at the county level.
Target rent	The individual rents for properties that councils and housing associations should aim to charge by 2012, based on a Government formula.
Tenant Services Authority	The Government Agency that regulates council and housing association landlords
Tenants participation compact / agreement (TPA)	Written agreements between <i>social landlords</i> and groups of tenants, at both district and estate level, setting out the agreed approach to tenant participation.





# Contact List

# Appendix 3

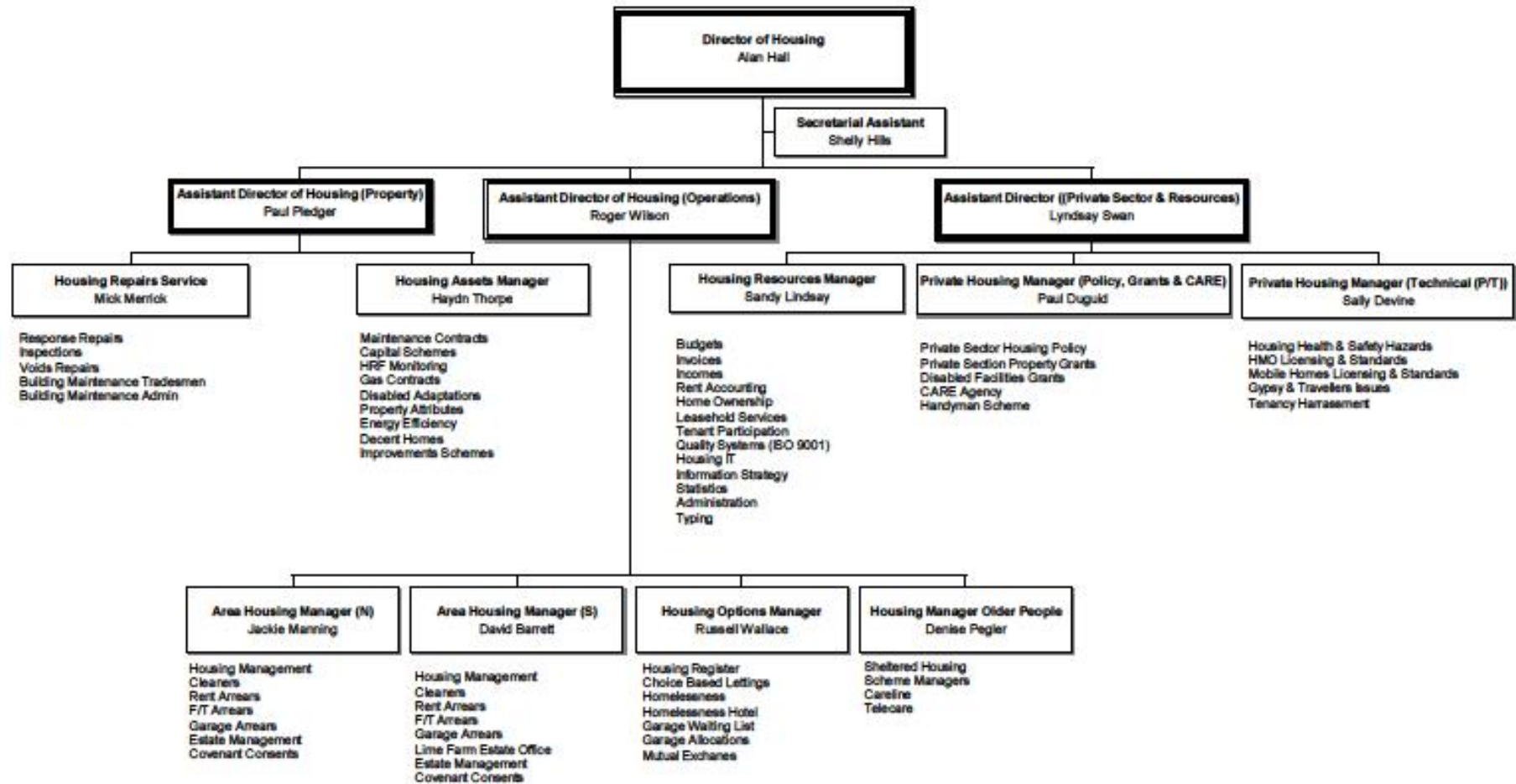
**EPPING FOREST DISTRICT COUNCIL CONTACTS**  
Civic Offices, Epping, Essex CM16 4BZ

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Area Housing Office (South)	David Barrett	Area Housing Manager	01992 565183	dbarrett@eppingforestdc.gov.uk
Careline Service	Denise Pegler	Housing Manager (Older Peoples Services)	020 8508 8596	dpegler@eppingforestdc.gov.uk
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Senior Management

Appendix 4





## Appendix 5

<b>Tenant-Selected Performance Indicators</b> <b>Performance (2010/11 - Quarter 3) and Targets (2011/12)</b>				
Service	Definition	Target (2010/11)	Actual (2010/11 – Q3)	Target (2011/12)
Careline	% of Careline calls responded to within 1 min (excl. routine calls managers & test calls)	99 %	99.5 %	99 %
Careline	Average (seconds) to respond to alarm calls	10 seconds	6.5 seconds	10 seconds
Rent Arrears	Rent collected as a proportion of rent owed	98.8 %	97.6 %	98.8 %
Estate Management	No. of estate inspections completed	82	69	82
Repairs	% of appointments kept	95 %	98 %	95 %
Repairs	Average time to complete urgent repairs	5 working days	4.8 working days	5 working days
Repairs	Average time to complete non-urgent repairs	42 days (6 weeks)	21 days	42 days (6 weeks)
Repairs	% Emergency repairs completed within target time of 24 hours	99 %	98 %	99 %
Repairs	% Priority repairs completed within target time of 3 working days	95 %	95 %	95 %
Repairs	% Urgent repairs completed within target time of 5 working days	95 %	59 %	95 %
Repairs	% Routine repairs completed within target time of 6 weeks	95 %	86 %	95 %
Repairs	% Satisfaction (good or satisfactory) with general standard of repairs	98 %	99 %	98 %
Repairs	Expressions of dissatisfaction: (a) Total no. (b) % of total repair requests (c) Poor satisfaction upheld	(a) 0 (b) 0 % (c) 0	(a) 7 (b) 0.28 % (c) 0	(a) 0 (b) 0 % (c) 0

Voids	Average overall void period (excluding difficult to let properties)	30 calendar days	31 days	30 calendar days
Adaptations (Minor)	Time taken from decision to completion of work	28 calendar days	22 days	28 calendar days
Adaptations (General)	Time taken from decision to completion of work	90 calendar days	78 days	90 calendar days
Gas Servicing	Tenant satisfaction: (a) % "Excellent" or "Good": (i) Gracelands (ii) Kinetics  (b) % "Poor": (i) Gracelands (ii) Kinetics	(a) 96 %  (b) < 5 %	(i) 98 % (ii) 97 %  (i) 1 % (ii) 2 %	(a) 96 %  (b) < 5 %
Gas Servicing	No. of CP12 (annual safety certificates) lapsed	0	32	0
Kitchen & Bathroom Programme	Overall satisfaction	96 %	99 %	96 %
Decent Homes	No. of homes that are non-decent (of total housing stock)	0	3	0





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