

DRAFT

Housing Revenue Account Business Plan 2012 - 2013



Director of Housing
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Epping Forest
District Council

March 2012

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Contents

Plain English Summary

1. Introduction

- 1.1 Introduction
- 1.2 "Fit for Purpose" Standard
- 1.3 Links with the Council's Housing Strategy
- 1.4 Purpose of the Business Plan
- 1.5 Development of the Business Plan in 2012
- 1.6 Management Structure – Policy and Priority Setting
- 1.7 Comments of the Epping Forest Tenants and Leaseholders Federation

2. Strategic Context and Linkage to Other Plans

- 2.1 The Epping Forest District
- 2.2 Housing Service Planning Matrix
- 2.3 Capital Strategy 2012/16 - Housing as a Corporate Priority for Investment

3. Business Plan Objectives

- 3.1 The Council's Corporate Medium Term Aims
- 3.2 Hierarchy of Objectives
- 3.3 Corporate Housing Objectives
- 3.4 Specific Housing Objectives
- 3.5 Summary of Key Activities and Achievements in 2011/12
- 3.6 Key Housing Priorities and Action Plan to Meet the Objectives

4. Business Plan Analysis

- 4.1 Introduction
- 4.2 The Council's Housing Stock
- 4.3 Stock Valuation
- 4.4 Overview of the Management of the Council's Housing Stock
- 4.5 Delivery of Housing Services
- 4.6 Partnership Working
- 4.7 Tenant and Leaseholder Participation and Consultation
- 4.8 Supporting People
- 4.9 Fees and Charges
- 4.10 Repairs, Maintenance and Improvements
- 4.11 Right to Buy and Rent to Mortgage Sales
- 4.12 The District's Housing Needs Relevant to the HRA Business Plan
- 4.13 Workforce Development Planning
- 4.14 Staff Training and Development
- 4.15 Housing Improvements and Service Enhancements
- 4.16 Council Housebuilding Programme

5. Provision of Quality Housing Services

- 5.1 Customer Service Excellence Award - Housing Directorate
- 5.2 ISO 9001:2008 Quality Accreditation – Housing Directorate
- 5.3 Tenant Satisfaction
- 5.4 Customer Perspective Programme
- 5.5 Project Management
- 5.6 Performance Indicator Targets – 2012/13
- 5.7 Performance Management and Continuous Improvement Meetings

6. Value for Money

- 6.1 Corporate Approach to Value for Money and Use of Resources
- 6.2 Benchmarking Housing Performance and Costs (Housemark)
- 6.3 Value for Money Efficiencies by the Housing Directorate

7. Diversity and Equality in the Provision of Housing Services

- 7.1 Corporate Approach to Diversity and Equality
- 7.2 The Council's Equality Report and New Equality Scheme
- 7.3 The Council's Approach to the Equality Framework for Local Government
- 7.4 The Housing Directorate's Approach to Diversity and Equality
- 7.5 Diversity Profile of the Council's Tenants
- 7.6 Ethnicity Profile of the Council's Housing Applicants and Applicants Accommodated

8. Rents Strategy

- 8.1 Background
- 8.2 Valuation
- 8.3 Implementation
- 8.4 Strategic Approach
- 8.5 Service Charges
- 8.6 Support Charges
- 8.7 Rent Levels and Rent Increases

9. Risk Management

- 9.1 Introduction
- 9.2 Corporate Risk Register
- 9.3 Housing Risk Register
- 9.4 Key Housing Operational Risks and Housing Risk Matrix
- 9.5 Housing Business Continuity Plan
- 9.6 Housing Emergency Plan

10. HRA Financial Plan

- 10.1 Introduction
- 10.2 Executive Summary
- 10.3 Underlying Assumptions
- 10.4 The Council's Final Self-Financing Settlement
- 10.5 Internal Borrowing by the General Fund from the HRA
- 10.6 Headline Outputs
- 10.7 Sensitivities
- 10.8 Next Steps
- 10.9 Risk and Reward

11. Reviewing the Business Plan

- 11.1 Introduction
- 11.2 Financial Monitoring
- 11.3 Monitoring the Business Plan's Key Action Plan
- 11.4 The HRA Business Plan Review Process

12. Key Action Plan

13. Appendices

Plain English Summary

[To Follow]

1. Introduction

1.1 Introduction

This is the twelfth 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. It 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. 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.

With effect from March April 2012, the Government is introducing a new system of self financing for the HRA, to replace the discredited Housing Subsidy System. This involves the Council paying a significant lump sum to the Government, financed from a very large loan. The Council has assessed the detailed effects and implications of self-financing on the Council and, as a result, has formulated a completely new 30-Year HRA Financial Plan, which is set out in Chapter 10.

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 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

The Council's HRA Business Plan has previously been assessed as being fully "fit for purpose" by the Government. The format of the HRA Business Plan has remained broadly 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. 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

Due to the current number of uncertainties that affect the Council's strategic approach to housing, it is not planned to update the Housing Strategy during 2012 as originally envisaged, but during 2013 for a further 3 year period.

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 2012

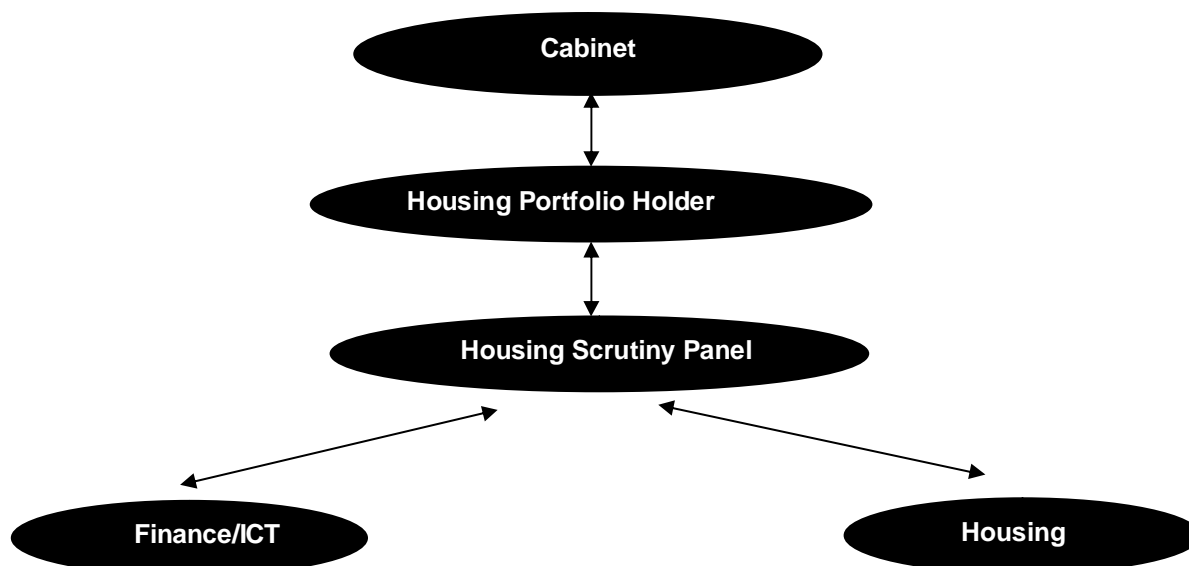
The Council has consistently developed and updated its Business Plan, since the time the first one was produced in 2001. All the statistics and information within this latest Business Plan referred to as the "last financial year" - and the most up to date information - relates to 2010/11, which is the last year that full year statistics are available.

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

- Updated statistics for 2010/11
- General updated information throughout the Business Plan to ensure that it remains current
- Updated Plain English Summary
- Updated comments of the Tenants and Leaseholders Federation on the latest Business Plan (Section 1.7)
- Updated Summary of Key Activities and Achievements in 2011/12 (Section 3.5)
- Updated section on Key Housing Priorities and Action Plan to Meet the Objectives (Section 3.6)
- New section on Workforce Development Planning (Section 4.13)
- New section on Housing Improvements and Service Enhancements (Section 4.15)
- New section on Council Housebuilding Programme (Section 4.16)
- Updated section of Benchmarking Housing Performance and Costs (Section 6.2)
- New section on the Council's Equality Report and new Equality Scheme (Section 7.2)
- New section on Rent levels and Rent Increases – based on the new HRA Financial Plan (Section 8.7)
- Deletion of the Chapter on Housing Stock Options Appraisals – since this is no longer relevant
- Completely new Chapter on the updated HRA Financial Plan and cash flows (based on the new self-financing system) (Chapter 10 and Appendices 5(a) and 5(b))
- New Key Action Plan (Chapter 12)
- Updated Repairs & Maintenance Business Plan (Appendix 1)
- Updated Appendix on Performance on Performance Indicators and Future Targets (Appendix 4)

1.6 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/ICT</i>	Responsible for the production of all the Business Plan's financial forecasts

1.7 Comments of the Epping Forest Tenants and Leaseholders Federation

Section 4.7 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 INSERTED, FOLLOWING CONSULTATION WITH THE FEDERATION ON 28TH MARCH 2012 – The Federation's comments last year were :

- The Business Plan continues to be a comprehensive document, which is 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 are pleased to note that the Government's proposed introduction of self-financing for the HRA from April 2012 should provide a secure financial future for the Council's housing service, and should enable the Council to invest sufficient resources in its housing stock to keep it properly maintained for many years;
- We are pleased to note that, during the year, the Council met the Decent Homes Target, 7 months earlier than the Government's deadline, and has plans and resources in place to ensure that no homes become non-decent;
- We are impressed with the benefits already being obtained from the Repairs Refresh Programme, particularly improved performance, efficiency savings, an improved structure and the introduction of a Tenant Liaison Office post;
- We fully support the innovative appointment of a private repairs management contractor and feel that this will result in further improvements to the Housing Repairs Service;
- We are pleased to note that the Council's Careline Service has achieved full accreditation from the Telecare Services Association, for all aspects at the same time, which we understand is the first time in the country.
- 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

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 54,197 dwellings in the District as at April 2011, 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.

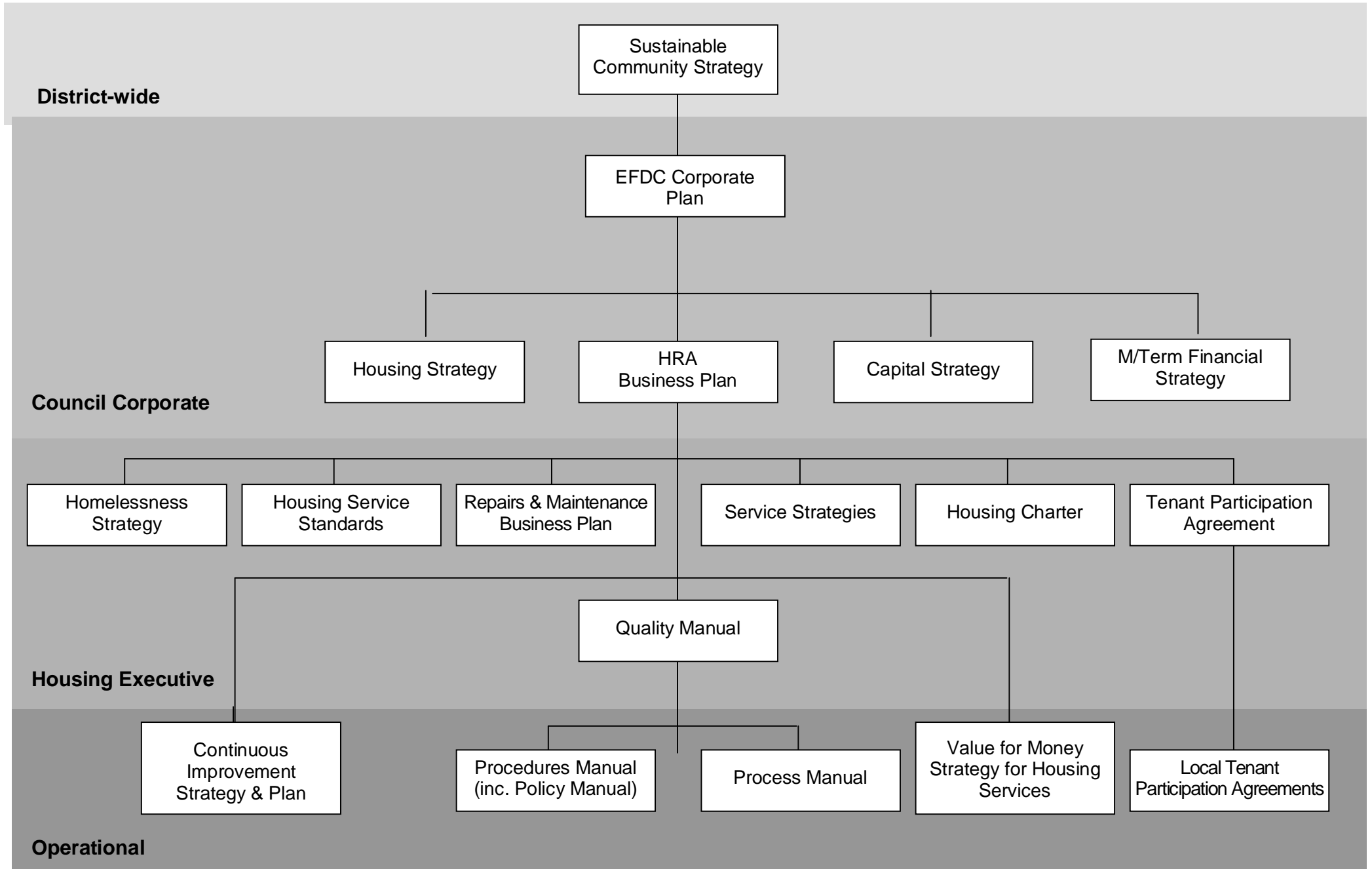
The Housing Planning Matrix reproduced on the next page illustrates, in graphical form, how the Council's housing services are planned and delivered.

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

<i>Sustainable Community Strategy</i>	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.
<i>Corporate Plan</i>	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.
<i>Housing Strategy</i>	See Section 1.3 above.
<i>Capital Strategy</i>	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.
<i>Medium Term Financial Strategy</i>	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.
<i>Housing Service Standards</i>	A set of housing standards that clients of the Housing Directorate can expect in relation to the delivery of their housing service.
<i>Housing Service Strategies</i>	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.
<i>Housing Charter</i>	Sets out the principles by which housing services will be delivered from the clients' point of view and what clients can expect.
<i>Tenant Participation Agreement</i>	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, 2009 and, most recently, January 2012 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 4.7).
<i>Tenant Participation Impact Statement</i>	An annual statement produced explaining the activity, outcomes and impact in relation to tenant participation and empowerment in the previous year.

Housing Directorate

Service Planning Matrix



Local Offer

A statement to all tenants, in accordance with the Tenant Services Authority's Housing Regulatory Framework, setting out the service they can expect from the Council. Following consultation with the Tenants and Leaseholders Federation and all tenants (through *Housing News*), the Council published its *Local Offer* in March 2011, which will comprises the following three elements, agreed by tenants:

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

2.3 Capital Strategy 2012/16 - Housing as a Corporate Priority for Investment

The Council's Capital Strategy 2011/15, last updated in February 2012, sets out the Council's nine key strategic priorities for capital investment, in a ranked priority order. "Improving the Council's housing stock" has been ranked as one of the two highest key strategic priorities for investment since its introduction.

3. Business Plan Objectives

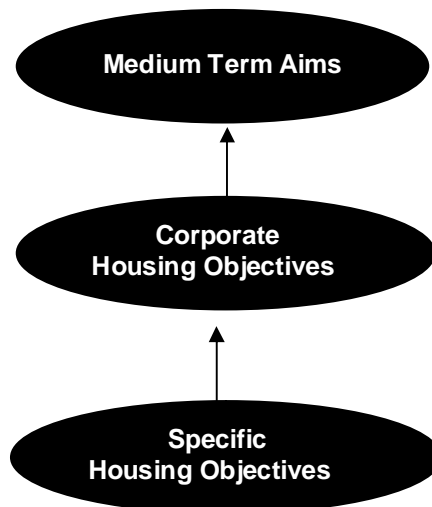
3.1 The Council's Corporate Medium Term Aims

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

- Endeavour to safeguard frontline services that our local residents tell us are important against a background of diminishing resources;
- Have the lowest District Council Tax in Essex and maintain that position;
- Be recognised as an innovative and transparent council involving residents in our decisions;
- Continuously improve efficiency by adopting new ways of working with our partners and maximising revenue from our assets; and
- 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:

- | | |
|--------------------------------------|---|
| HO1 – Value for Money | Provide a high quality housing service, having due regard to the cost of providing the service. |
| HO2 - Housing Management | Manage the Council's housing stock efficiently and effectively, obtaining good value for money, to deliver high quality housing services. |
| HO3 - Repairs and Maintenance | 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. |
| HO4 - Tenant Participation | 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> . |
| HO5 - Housing Finance | Manage the Council's financial housing resources effectively, efficiently and prudently, through the maximisation of rental and other income 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 shared Housing / Housing Benefits Office at the new Limes Centre, 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) Repay the Council's large loan with the Public Works Loan Board (taken out to fund the £186m HRA self-financing settlement in March 2012).
- (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 30 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 2011/12

The key housing achievements and activities for the Business Plan in 2011/12 are as follows:

- Very good progress continued to be made with the Repairs Refresh Programme to further improve the Council's Housing Repairs Service, following the appointment of Mears as the Council's private Repairs Management Contractor. This included:
 - Improved repair response times, whilst maintaining high levels of customer satisfaction
 - Improved empty property repair times
 - Introduction of a new customer-focused IT system for the Housing Repairs Service
 - Introduction of an appointment system for all repairs, with ongoing text updates to tenants keeping them informed of progress with their reported repairs
 - Introduction of mobile IT working for the Housing Repairs Service's tradesmen
- Detailed analysis of the options and opportunities available under the new self-financing arrangements, leading to a robust and affordable 30-Year HRA Financial Plan
- Successful introduction of a Social Housing Fraud Initiative, which has identified a number of cases of un-authorized sub-letting, non-occupation and Right to Buy Fraud - leading to the recovery of Council properties to re-let to bona-fide housing applicants, with financial savings achieved amounting to over double the cost of the Social Housing Fraud Initiative
- Reaccreditation of the ISO 9001:2008 Quality Assurance Award for the whole of the Housing Directorate for a further 3 years
- Successful relocation of the Housing Office at the Limes Farm Estate, Chigwell to the new Limes Centre, and co-location with a decentralised housing benefits team
- Re-modelling of Jessopp Court, Waltham Abbey from a scheme for frail older people staffed by Essex County Council Adult Social Care to a conventional sheltered housing scheme staffed by a Scheme Manager employed by the District Council

3.6 Key Housing Priorities and Action Plan to Meet the Objectives

The Council's Key Housing Priorities for the next year (2012/13) are set out below.

- Continue to manage and maintain our homes effectively and efficiently
- Complete the implementation of the Repairs Refresh Programme, including the introduction of 24 hour facility for tenants to report routine repairs, and a more efficient and cost effective supply chain for repair materials
- Introduce a new full and modern maintenance standard for the Council's housing stock, to replace the Council's previous (lower) Decent Homes Standard, through an average 50% p/a increase in funding made available as a result of HRA self-financing
- Appoint an experienced organisation to act as the Council's Development Agent to implement the new Council Housebuilding Programme
- Implement the agreed programme of new housing improvements and service enhancements, funded from the additional resources made available by HRA self-financing
- Undertake a major review of the Council's Housing Allocations Scheme, taking advantage of the new opportunities and flexibilities provided by the Localism Act 2011
- Explore the use of fixed term tenancies for certain types of housing applicants and formulate a clear approach to when and how they should be used
- Introduce a Tenant Scrutiny Panel to undertake detailed reviews of specific housing services

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 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

4. Business Plan Analysis

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 The Council's Housing Stock

The Council owned the following HRA stock as at 31st March 2011, for which the Council's Housing Directorate is responsible for management and maintenance:

- 6,491 residential properties ^(*)
- 941 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; 6,164 properties have been sold since 1977 (See Section 4.11 below). An analysis of the Council's housing stock as at April 2011 (excluding the 49 rooms at the Council's Hostel, 6 residential scheme managers' properties and 30 properties "out of charge") is detailed below.

COUNCIL HOUSING STOCK BY TYPE AND YEAR (Excluding Homeless Persons Hostel)					
	April 2011	April 2010	April 2009	April 2008	April 2007
Houses	2,730	2,733	2,740	2,743	2,755
Flats	2,448	2,456	2,464	2,471	2,476
Maisonettes	522	521	519	520	525
Bungalows	791	792	791	791	793
TOTAL	6,491	6,502	6,514	6,525	6,549
COMPARISON OF PRE AND POST WAR COUNCIL HOUSING STOCK BY TYPE (As at 1st April 2011)					
	Pre-1944		Post 1945		TOTAL
	No.	%	No.	%	
Houses	354	5 %	2,376	37 %	2,730
Flats	12	< 1 %	2,436	38 %	2,448
Maisonettes	0	0	522	8 %	522
Bungalows	11	< 1 %	780	12 %	791
TOTAL	377	6 %	6,114	94 %	6,491

PROPERTY MIX OF COUNCIL HOUSING STOCK BY BEDROOM SIZE (As at 1st April 2011)		
	No.	%
Bedsits	316	5 %
1 Bedroom	2,318	36 %
2 Bedroom	1,813	28 %
3 Bedroom	1,885	29 %
4/5 Bedroom	159	2 %
TOTAL	6,491	

GEOGRAPHICAL SPREAD OF COUNCIL HOUSING STOCK (As at 1st April 2011)								
	Buckhurst Hill / Chigwell		Loughton		Waltham Abbey		Epping / Ongar / Rural Areas	
	No.	%	No.	%	No.	%	No.	%
Houses	189	7 %	931	34 %	601	22 %	1,009	37 %
Flats	307	13 %	899	37 %	780	32 %	462	19 %
Maisonettes	255	49 %	190	36 %	66	12 %	11	2 %
Bungalows	15	2 %	147	19 %	145	18 %	484	61 %
TOTAL	766		2,167		1,592		1,966	
% of Total		12 %		33 %		24 %		30 %

4.3 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. Desk-top revaluations have been undertaken annually since 2002, and in 2006 and 2011 the Valuation Office undertook full revaluations.

4.4 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 3 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.

Area Housing Office (South) 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 4.5(a) below).

Limes Farm Office Based at the new Limes Centre, Chigwell, the Office provides a localised housing & estate management and housing benefits service to the tenants of the Estate. The office is daily during the week, managed by the Assistant Area Housing Manager.

Careline Control 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 4.5(k) below).

Sheltered Housing

The Council has 12 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 4.5(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:

Accountancy

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.

Audit

The Council's audit function is undertaken by the Chief Internal Auditor in accordance with the Council's Audit Plan.

Grounds Maintenance

The Council's grounds maintenance is undertaken by the Environment and Street Scene Directorate. The arboricultural contract is undertaken by a private contractor.

Housing Benefits

Housing Benefits is administered within Finance under the management of the Asst Director of Finance & ICT (Benefits).

Information & Communication Technology (ICT)

Although the database for the integrated housing system is supported by the Housing Directorate, the network is managed by the Finance and ICT Directorate.

Legal

The Corporate Support Directorate provides a comprehensive legal service to Housing including conveyancing, litigation, advocacy, contract administration and legal advice.

Human Resources

The Corporate Support Services Directorate is responsible for strategic HR issues, industrial relations, recruitment and other HR operations.

Performance Management

The Performance Improvement Unit, within the Office of the Deputy Chief Executive, is responsible for the co-ordination of performance management data.

Public Relations & Marketing

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.

4.5 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 3,550 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 2010/11 was £28.3m (an increase of 1.8% from 2009/10). 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 (for a small processing fee), credit card, on line or by text.

The rent collection rate in 2010/11 was 98.14%, higher than the collection rate of 97.74% in 2009/10.

(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 £415,679 as at 3 April 2011, representing 1.47% of the annual debit – a decrease on the 1.51% rent arrears in 2009/10.

Former tenant arrears amounted to £344,110 as at 3 April 2011, of which £235,987 were due to former dwellings arrears (the rest due to former garage, housing benefit, court costs and replacement tenancy arrears).

During 2010/11, £54,586 of former tenant arrears was written off. Former tenant arrears of £57,407 were collected in 2010/11, a decrease of 2% on the amount collected in 2009/10.

(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 70 empty properties as at 1st April 2011, representing a decrease of 8 properties (10%) over the previous year's number of 78. The rental loss from empty properties in 2010/11 amounted to just 0.97% 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. As at 1st April 2011, there were only 9 vacant properties meeting the “difficult to let” criteria (primarily 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 941 properties leased under the Right to Buy as at 31 March 2011, compared to 935 properties the previous year. 6 additional properties were leased between 1st April 2010 and 1st April 2011. 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 2011):

Council tenants	1,086
Private occupiers	1,272
Housing association tenants	67
Total	2,425

The number of users receiving the service decreased by around 2.6% during 2010/11. 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 2010/11, 99.6% of all calls were responded to within 60 seconds. The average time to respond to calls was 6.3 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*

In April 2011, the Council had 437 sheltered housing properties within 11 sheltered and grouped housing schemes throughout the District, with each one managed by a Scheme Manager. Since April 2003, sheltered housing tenants have paid a “support charge” that represents the costs of providing them with the sheltered housing service.

In December 2011, Jessopp Court in Waltham Abbey - the Council's former scheme for frail older people, which was previously managed by Essex Adult Social Care (ASC) under a partnership arrangement – was remodelled to a conventional sheltered housing scheme, due to ASC's decision to withdraw from the partnership arrangement.

In addition, three “Area Scheme Managers” visit 264 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:

BREAKDOWN OF CALL CATEGORIES FOR PROPERTIES DESIGNATED AS SPECIALLY SUITABLE FOR THE ELDERLY (As at 1st April 2011)		
Category	Frequency of Visits	No.
A	Once every week	22
B	Once every fortnight	14
C	Once every month	227

(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.

It is planned to introduce the facility for housing applicants to apply to join the Council's Housing Register on-line, early in 2012/13.

4.6 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.

<i>Essex Police</i>	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.
<i>Tenants and Leaseholders Federation</i>	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).
<i>Voluntary Action Epping Forest</i>	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.

4.7 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 2003, 2006, 2009 and most recently in January 2012. 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
- “Consultation” Section of Housing Website
- This Business Plan
- Tenant Participation Agreement
- New housing policies
- Tenants & Leaseholders Federation

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.

4.8 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 significantly reduced its Supporting People budget by around 30% (approximately £10m per annum) from 2011/12. This had a significant effect on supported housing provision throughout Essex. All other local authority housing providers in Essex reported 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 was only around 6% (£14,000 per annum) from 2011/12.

4.9 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. Usually, fees and charges are increased annually in line with inflation, although each charge is considered on its own merits and variations are made to this approach for strategic reasons.

However, around 50% of all Housing-related Fees and Charges were frozen for 2012/13 due to the effects of the current economic climate on housing customers.

4.10 Repairs, Maintenance and Improvements

In addition to the Financial Plan, 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"
- plans to properly maintain the Council's housing stock to a full (modern) standard
- 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 2012/13, a separate Housing Service Strategy on Repairs and Maintenance will be produced, setting out the Council's general approach to repairs and maintenance.

4.11 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 1st April 1977 and 31st March 2011 (34 years), the Council has received 11,616 applications to purchase, resulting in 6,164 sales (53%), of which 4,608 were under the Right to Buy.

In 2010/11, 27 applications to purchase under the right to buy were received (7 less than in 2009/10), which resulted in 9 sales (compared to 8 sales in 2009/10 and 27 in 2008/9). The average open market valuation in 2010/11 was £144,222 per property, compared to £157,875 in 2009/10. 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 2010/11. The average purchase price was £110,222 per property (compared with £123,875 per property in 2009/10).

The Government recently published its policy document "*Laying the Foundations: A Housing Strategy for England*" and a subsequent Consultation Paper "*Reinvigorating the Right to Buy and one for one Replacement*", which proposes that the maximum RTB discount should be increased to a flat £50,000 throughout England. This would more than triple the cap currently applied in most of London, and would almost double the maximum discount for this Council's tenants. The Government's Housing Strategy also set out the Government's commitment to ensuring that every additional home sold under the Right to Buy is replaced by a new home for Affordable Rent and that additional receipts from sales are recycled towards the cost of replacement. The outcome of the consultation exercise is awaited.

4.12 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.

Six neighbouring district councils, including Epping Forest, worked together to commission a comprehensive and integrated SHMA for the London Commuter Belt (East)/M11 SHMA Area, which was undertaken by Opinion Research Services (ORS). The other five districts in the SHMA area were 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 were 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

Due the proposed revocation of regional spatial strategies as a result on the provisions of the Localism Act 2011, the SHMA needs to be reviewed and updated, which the Council intends to do during 2012.

(c) New Affordable Housing Provision

As at March 2012, the Council's monitoring arrangements for new affordable housing provision identify the following:

- 81 new affordable homes are expected to be completed on 3 development sites during 2011/12
- A further 147 affordable homes on 5 sites have planning permission, and are expected to be completed within the following 3 years
- Developers are giving active consideration to the development of a further 160 affordable homes on 4 sites in the District, although it is unlikely that all these proposed homes/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.

COMPARISON OF HOUSING NEED (2010 – 2011)				
	March 2011	March 2010	Difference (2010 – 2011)	
			(Nos.)	%
1 Bed	3,309	3,014	+ 295	+ 9.8 %
2 bed	1,442	1,312	+ 131	+ 9.9 %
3 bed	597	593	+ 4	+ 0.7 %
4 Bed	129	89	+ 40	+ 44.9 %
TOTAL	5,477	5,008	+ 469	+ 9.4 %

(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 reduced by 6.5 % in 2010/11 compared to the previous year.

HRA HOUSING STOCK TURNOVER (2010/11 and 2010/11)		
	2009/10	2010/11
Housing Register (inc homeless)	395	462
Mutual exchanges	140	108
TOTAL	535	570

In addition, 108 applicants were nominated and accepted in 2010/11 for vacancies in stock owned by housing associations, a reduction of 7% compared with the 116 applicants nominated and accepted in 2010/11.

(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. Property prices in the District have not increased significantly since 2008.

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 2011 which is, by far, the highest ratio in the SHMA Area.

4.13 Workforce Development Planning

The Housing Service adopts a systematic approach towards workforce planning. Workforce planning helps an organisation to estimate its future workforce requirements and calculate the numbers, nature and sources of potential employees who might meet that demand. In other words, it's about getting the right number of people, with the right skills, in the right place and at the right time.

The breakdown of the workforce for the Housing Service as at 1st January 2012 (excluding Private Sector Housing staff, which is covered in the separate Private Sector Housing Business Plan) was as follows:

<i>Gender & Full-Time/Part-Time</i>		<i>Age</i>	
Male	50 %	16 – 24	4 %
<i>Full-time</i>	46 %	25 – 34	4 %
<i>Part-time</i>	4 %	35 – 44	22 %
Female	50%	45 – 54	36 %
<i>Full-time</i>	28 %	55 – 64	31 %
<i>Part-time</i>	22 %	65 +	2 %
<i>Turnover (Reasons and Overall)</i>		<i>Ethnicity</i>	
End of Fixed-Term Contract	54 %	White English	89.4 %
Voluntary Leavers	21 %	White Other	4.4 %
Retired	17 %	White Irish	1.3 %
Other	8 %	Black Caribbean	0.6 %
Annual Turnover	15 %	Chinese	0.6 %
		Mixed White/Asian	0.6 %
		Other/Unspecified	3.1 %

The Housing Directorate's objectives for, and approach to, Workforce Development Planning can be summarised as follows:

- Understand the characteristics of the Housing Service's workforce, in terms of sex, hours of work, age, ethnicity and turnover
- Understand the reasons for staff leaving employment and take any appropriate action as a result to reduce future turnover
- Ensure that there is an appropriate mix of full-time and part-time staff within individual sections of the Housing Directorate
- Seek to minimise any barriers to staff achieving their full potential, by taking pro-active action to maximise their potential
- Identify training and development requirements through the Performance Development Review (PDR) process (see Section 4.14 below) and meet these requirements in the most appropriate way
- Seek to ensure, within the requirements of employment legislation, that the ethnicity of the staff within the Housing Directorate is broadly representative of the wider population and the Council's tenants and housing applicants
- Identify staff who are likely to retire, or who may leave the Council's employment, within the foreseeable future, together with key/unique posts, and plan and implement the arrangements for postholders' succession

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 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 Housing Improvements and Service Enhancements

As part of the Council's strategic approach to the HRA Financial Plan, the Council plans the repayment of the required loan(s) to fund the CLG's self-financing settlement over a 30-year period. This enables the Council to fund significant new/additional housing improvements and service improvements.

The additional amount available for improvements and enhancements in 2012/13 is £770,000. Current estimates for the availability of funding for improvements and enhancements in the future, based on a conservative estimate for likely Public Works Loans Board (PWLB) interest rates to fund the self-financing settlement, are as follows:

- An additional £1.5million per annum from April 2013;
- A further £250,000 per annum from April 2017;
- The bringing forward of the previously-planned £4.7million increase by one year in April 2019; and
- An additional £250,000 per annum in April 2019.

At the time of writing, following consultation with the Tenants and Leaseholders Federation, the Council's Housing Scrutiny Panel has considered and recommended the following proposed list of improvements and enhancements to the Cabinet, utilising the additional funding, after taking account of the views of the Tenants and Leaseholders Federation:

- Acceleration of the Programme to install mains-powered smoke detectors in every Council property within 4/5 years
- Provision of a free Handyperson Scheme for older and disabled tenants living in sheltered and other Council accommodation
- Increasing the Disabled Adaptations Budget for one year
- Conversion of existing toilet facilities in communal areas of sheltered housing schemes and community halls into disabled toilets
- Refurbishment of the Common Room and Kitchen Area at Jessopp Court, Waltham Abbey
- Expansion and refurbishment of the Council's Play Area on the Princesfield Estate, Waltham Abbey
- Making the existing temporary Part-Time Housing Officer (Social Housing Fraud) post permanent and full time
- Creation of a new Senior Housing Officer (Social Housing Fraud) Post
- Installation of Key Safes at sheltered housing schemes
- Creation of a new post of Housing Under-occupation Officer
- Increasing the existing budget for Estate Improvements and Enhancements
- Expansion of the VAEF Garden Maintenance Scheme for Older and Disabled Tenants
- Provision of additional dog waste bins on housing estates
- In-Year Housing Improvements and Enhancements Fund

The list comprises a mix of capital and revenue projects, requiring both one-off expenditure over 1-2 years and ongoing annual expenditure. The inclusion of one-off projects enables the funding allocated to these projects to be utilised for other one-off or ongoing projects in future years, from the overall annual budget.

At its meeting in January 2013, the Housing Scrutiny Panel will consider and recommend to the Cabinet the use of the additional funding available within the HRA Financial Plan for improvements and enhancements in future years, after consultation with the Tenants and Leaseholders Federation.

4.16 Council Housebuilding Programme

Since the 1980s, councils have been discouraged by successive governments from building new affordable housing themselves, and encouraged to act as "enablers", by facilitating housing associations to build new social housing. To discourage councils from building, governments have previously established financial rules that penalise many local authorities that build. However, this has now changed, and local authorities are once again encouraged to build, with the financial disincentives removed.

With the introduction of self-financing and the increased resources this brings, the Council has agreed to implement a modest Council Housebuilding Programme. The main reasons for this are that:

- The Council's HRA land can be developed for much-needed affordable housing (with almost 6,000 applicants currently on the Housing Register);
- The Council will receive the associated New Homes Bonus (NHB) – equivalent to around £6,700 per property over the six-year NHB period, to use for any Council purpose;
- the land and constructed buildings will be retained as a Council asset - rather than transferring the land to a housing association at a subsidised price, for the housing association to develop the affordable housing;
- The Council will benefit from the net rental income in the future, once the development loan has been covered;
- It may be possible for the Council itself to receive the benefit of capital grant funding from the Homes and Communities Agency;
- The Council will have greater control over the future use of the affordable homes;

- The cost of construction will be less than for a housing association, since the Council can recover the cost of VAT for fees from Her Majesty's Revenue and Customs (HMRC), which housing associations cannot; and
- It will enable the Council to increase its housing stock, instead of continuing to reduce the stock through the Right to Buy, and thereby slowly reduce the associated unit costs of managing and maintaining the Council's housing stock.

The Council has a number of difficult-to-let garage sites and other sites that may have development potential to provide an estimated 120 homes. During 2012/13, the Council will be appointing a Development Agent, through a competitive tender process, to provide all the required development and project management services, including the provision of all professional building services. It is estimated that capital funding of around £2.5 million per annum will be required for such a programme and provision has been made within the five year period of the Council's Capital Strategy for the programme to commence in 2013/14.

Development appraisals for each of the identified sites will initially be undertaken to assess whether or not development potential does exist, and where appropriate, the anticipated costs and income will then be evaluated. The Council has decided that rents charged for the new developments would be at "Affordable Rent" levels, up to 80% of market rent levels.

Grant funding from the Homes and Communities Agency (HCA) may be available in the future, but any shortfall in capital funding for developments will be met from financial contributions received through Section 106 Agreements, the sale of some development sites on the open market and, if allowed by the Government, capital receipts arising from the Right to Buy, to ensure that the Programme is self-funded, without any financial support from the General Fund. A Development Strategy will be adopted by the Council in due course, setting out the proposed approach to the Housebuilding Programme.

5. Provision of Quality Housing Services

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 again received 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 every three years. 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 last re-accredited with the status for a further three years 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 has worked with Housemark, the national housing benchmarking club, to develop a common tenant satisfaction survey called STAR (in a similar form to the Government's previous STATUS survey), in order to undertake a further tenant satisfaction survey in 2012, 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 was a standardised tenant satisfaction postal survey that was developed by the National Housing Federation (NHF). The STATUS questionnaire was endorsed by the Government's Communities and Local Government (CLG).

The STATUS questionnaire was designed to be used by social landlords to survey tenants in general needs housing. It was designed to be a baseline survey, which could be repeated over a number of years. It allowed for comparison of data between different social landlords and provided 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 previous 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 Project Management

All special (i.e. non routine) housing projects are detailed in the Housing Directorate’s Continuous Improvement Plan. This is a project management tool that, for each project, sets out:

- The task
- The officer responsible
- The latest anticipated completion date of the task
- The percentage of the task completed to date

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 quarterly Continuous Improvement Meetings (see Section 5.7 below) 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.

5.6 Performance Indicators and 2012/13 Targets

The Housing Directorate uses a range of performance indicators to monitor its performance. There are four 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.
Key Performance Indicators (KPIs)	Performance Indicators that the Council itself considers to be the most important to monitor the Council's key activities. These 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 4 sets out the 21 Tenant-Selected Indicators for 2012/13, as well the associated targets and performance (up to Quarter 3) for 2011/12.

5.7 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 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),

In pursuit of the Housing Service's objective of seeking continuous improvement, the Housing Directorate has had in place for many years a regime of formal, individual Continuous Improvement Meetings. These are held quarterly between individual housing managers, the Director of Housing and the relevant Assistant Director.

Notes of the meetings are kept and the following standard items are reviewed and discussed at every quarterly meetings:

- Progress with Action Points from the previous meeting
- Performance in the previous Quarter and resultant actions required for the forthcoming quarter
- Benchmarking data received in the previous Quarter
- Telephone Response Times in the previous Quarter
- Review of key trends / lessons learnt from Step 1 and Step 2 Complaints in previous Quarter

- Review of staff sickness within the previous Quarter and the identification of concerns and required actions, including references to Harlow Occupational Health Service
- Identification and progress with previously identified VFM Efficiency Savings
- Continuous Improvement Plan and Annual Events Plan - Discussion of key tasks behind schedule, any actions required as a result and identification of new tasks to be added
- Quality Issues - Consideration of any required actions, and progress, resulting from recent ISO9001:2008 internal audit or external surveillance reports and recent Internal audit reports

6. Value for Money

6.1 Corporate Approach to Value for Money

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

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.

6.2 Benchmarking Housing Performance and Costs (Housemark)

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

Each year, Housemark produces a detailed Benchmarking Report for the Council, comparing the Council's performance with 47 other local authorities across the country. In addition to the detailed benchmarking information, Housemark also provides a Value for Money (VFM) Summary. The VFM Summary is organised in a way to illustrate how the Council's housing performance – in terms of cost and quality - compares with other local authorities, in respect of the four specific service areas of the TSA's National Standards, covering:

- Tenant Involvement and Empowerment
- Home
- Tenancy (including allocations, rents and tenure)
- 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
- 2nd Best Quartile Within the best 50% of councils
- 2nd Worst Quartile Within the worst 50% of councils
- Worst Quartile Within the worst 25% of councils

The last Benchmarking Report, received in 2011, relates to 2009/10. The quartile performance, in respect of those cost and quality indicators for which the Council had data, is summarised below:

Summary of EFDC's Quartile Placement KPIs - Cost & Quality		
Quartile	Cost KPIs	Quality KPIs
Best	3	3
2nd Best	-	5
2nd Worst	1	-
Worst	2	1

Each year, the Council's Housing Scrutiny Panel considers the HouseMark Summary Benchmarking Report and provides comments to the Housing Portfolio Holder and Director of Housing.

6.3 Value for Money Efficiencies by the Housing Directorate

As explained in Section 5.7 above, initiatives for achieving efficiency Value for money savings are identified, monitored and calculated at quarterly Continuous Improvement Meetings.

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

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 recently adopted a new Equality Scheme, which explains its approach to diversity and equality.

7.2 The Council's Equality Report and New Equality Scheme

The Equality Act 2010 includes a new Public Sector Equality Duty (PSED), which has replaced previous (separate) equality duties relating to race, disability and gender, and also covers the additional 'protected

characteristics' of age, sexual orientation, religion or belief, pregnancy and maternity, and gender reassignment.

In order to meet the PSED, the Council must:

- (a) Annually publish sufficient information to demonstrate that it has complied with the general equality duty, including:
 - information on the effect that policies and practices have had on employees and people from the protected groups;
 - evidence of the analysis undertaken to establish whether policies and practices will (or have) furthered the three equality aims in the general equality duty, and details of the information used in that analysis; and
 - details of engagement undertaken;
- (b) Publish information about the engagement it has undertaken, including that used in the development of equality objectives;
- (c) Analyse and publish the effect of its policies and practices on equality, and evidence of equality analysis and details of information considered when carrying out analysis; and
- (d) Prepare and publish appropriate equality objectives by 6 April 2012, and at least every four years thereafter.

The PSED also requires local authorities to publish 'sufficient' equality information by 31 December 2012, to demonstrate compliance with the general equality duty.

A large amount of the evidence base used to inform the Council's equality work was included in a self-assessment prepared in early 2010 for an informal review of the authority's performance against the Equality Framework For Local Government (EFLG) (see [Section X.X below](#)), which has been used to produce a new 'Equality Report' to address the requirements of the PSED. The Equality Report is published on a dedicated section of the Council's website in 2011.

The Equality Act 2010 also replaced previous requirements for the publication of equality schemes under the former race, disability and gender equality duties. Although not a requirement of the Equality Act or the PSED, in March 2012, the Council adopted a new Equality Scheme 2012/13 - 2015/15 to reflect the extension of the range of protected characteristics, on the basis that this still represents the best approach to meeting the requirements of the general equality duty, and is useful for communicating the Council's equality achievements and objectives. The Council's Equality Scheme provides both a position statement of the Council's equality progress and sets out the Council's equality objectives.

The equality objectives have been designed to help the Council meet the general equality duty and to bring about positive change; each objective meets one or more of the aims of the general equality duty. The objectives have been developed from appropriate evidence and service analysis, and a range of data and information including the results of consultation exercises and surveys, the views of groups and individuals with whom the Council currently engages in respect of equality matters, impact assessment and equality analysis, and the report of the informal EFLG assessment in 2010 (see below). The Council's equality objectives are as follows :

- To develop existing customer and employee equality intelligence gathering systems and the use of intelligence in service planning;
- To ensure ownership of equality by those within the Council in a position to shape services;
- To develop engagement across all protected equality groups; and
- To ensure that the Council's culture, systems and working practices allow for the development of a management profile representative of its workforce as a whole

A range of delivery actions to work towards these objectives are currently being developed by the Council, in the form of a four-year action plan.

7.3 The Council's Approach to the Equality Framework for Local Government

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 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);

There are 5 performance areas within the EFLG, all of which need to be achieved within each of the 3 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 target to achieve Level 2 ('Achieving') of the Equality Framework by the end of 2012/13.

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.

7.4 The Housing Directorate's Approach to Diversity and Equality

In pursuit of the Council's 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 Options

- Housing Management
- Housing Repairs and Maintenance
- Older People's Housing Services

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

The Council is a member of 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 1st language</i>	28 occupants (0.6%) do not have English as their first language. The 2 nd 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.

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 2011.

The breakdown of the ethnic origin of applicants on the Housing Register for both and 2010/11 and 2009/10 is set out below:

Ethnic Origin of Housing Applicants		
Ethnic Group	2009/10	2010/11
White British/Irish	79.0 %	77.3 %
Bangladesh/Pakistan/India	0.7 %	0.8 %
African/Caribbean	3.2 %	3.3 %
Mixed Race	1.2 %	1.2 %
Other	4.4 %	5.0 %
Not Stated	11.5 %	12.4 %

The breakdown of the ethnic origin of Housing Register applicants allocated Council accommodation in both 2010/11 and 2009/10 is set out below:

Ethnic Origin of Housing Applicants Accommodated		
Ethnic Group	2009/10	2010/11
White British/Irish	76.4 %	81.2 %
Bangladesh/Pakistan/India	0.9 %	0.0 %
African/Caribbean	2.2 %	2.2 %
Mixed Race	0.6 %	2.2 %
Other	4.6 %	3.6 %
Not Stated	15.3 %	10.6 %

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 housing associations 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. The more recent date specified by the Government is April 2015.

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.

8.7 Rent levels and Rent Increases

As part of the Council's formulation of its HRA Financial Plan, following the introduction of self financing, the Council gave detailed consideration of its approach to achieving and maintaining rent convergence over the life of the plan. In December 2011, following consultation with the Council's Housing and Finance &

Performance Management Scrutiny Panels and the Tenants and Leaseholders Federation, the Council's Cabinet agreed the following strategic approach to future rent increases:

- An average rent increase of 6% in April 2012;
- Average rent increases of RPI + 1.96% per annum in the four years between April 2013 and April 2016 inclusive; and
- Average rent increase of RPI + 0.5% per annum from April 2017.

The average rent increase of 6% for 2012/13 increases the average Council rent by £4.93 per week from £86.19 per week to £91.12 per week.

9. Risk Management

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 action, if any, should be taken to minimise 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 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.

9.3 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 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:

<i>Vulnerability</i>	A description of why and how the Housing Directorate is vulnerable to the risk
<i>Trigger</i>	The identification of what occurrence(s) may set off the risk. There may be more than one trigger for each risk.
<i>Consequence</i>	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.
<i>Action Plan</i>	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 Directorate's Continuous Improvement Plan. Periodic actions are included within the Housing Annual Events Plan (See Section 5.5)

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

9.4 Key Housing Operational Risks and Housing Risk Matrix

The Housing Risk Register identifies 11 **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
- D - Low
- E - Very Low
- F - Almost Impossible

Impact

- 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 2012/13		
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	1E	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	3C	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.
11	3C	Undertaking a modest Council Housebuilding Programme

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.

9.5 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

9.6 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.

10. HRA Financial Plan

10.1 Introduction

The Council's Housing Revenue Account (HRA) business planning consultants, CIH Consult, have prepared this HRA Financial Plan, following detailed consideration by Council members and the Tenants and Leaseholders Federation of the options available for the future direction of the Financial Plan and the agreement of the Council's Cabinet, at its meeting in December 2011, on the strategic approach to be taken. It has been based on the probable outturn for the HRA for 2011/12, and the proposed budgets for 2012/13 agreed by the Cabinet in January 2012, and was approved by the Council's Cabinet on 12th March 2012.

On 1st February 2012, the Government issued its final determination for the value of debt which will be attributed to the Council in relation to the reform of the HRA and the withdrawal of the Housing Subsidy System. The reform of the HRA will take place, effectively, from April 2012 and has been enabled through an element of the recently passed Localism Act 2011.

This Financial Plan differs from previous versions of the plan that have been included in the Council's HRA Business Plans in previous years, where scenarios under both the Housing Subsidy System and Self-Financing were modelled, since it is now known that the HRA reforms will take place and the effect of the settlement value can be projected with more certainty.

10.2 Executive Summary

This latest version of the Financial Plan is based on the new HRA Self-Financing Regime, the implementation of which is from April 2012, with a debt allocation to the Council of £185.456million, payable on the 28th March 2012. The HRA remains viable throughout all the years of the Plan, including an enhanced level of investment in the stock through a full and modern maintenance standard, the introduction of a new Council Housebuilding Programme, and the ability to fund significant housing improvements and service enhancements. The Plan also has the potential to repay the allocated debt within a period of 30 years, based on the assumptions contained within the Plan.

The Financial Plan will require updating later in 2012/13, following the Council's final determination of the financing options available for funding the self-financing debt settlement - which will determine final interest rates, internal borrowing arrangements and repayment schedules. In addition, the impact of any amendments made to Right to Buy discounts and the treatment of capital receipts will require updating, once the outcome of the Government's consultation exercise on these issues is known.

10.3 Underlying assumptions

A detailed HRA Financial Plan model has been produced for the Council by CIHConsult, launched from 2011/12, and based on the latest out-turn forecasts for 2011/12 and the agreed budgets for 2012/13, with the following key assumptions:

- Balanced to the out-turn HRA budgets for 2011/12 and 2012/13;
- Balanced to the forecast HRA Capital Programme for 2011/12 - 2015/16;
- Average rent increases for April 2012 based on an average flat 6% and then converging to formula rent by April 2017;
- General Inflation set at 2.5% (the exception being the rent increase for April 2012, the 2012/13 budgets and HRA Capital Programme up to 2015/16);
- Right to Buy sales of 7 properties per annum;
- An all-in interest rate payable of 4%;
- Required internal borrowing for the General Fund from the HRA, to ensure a neutral position for the General Fund prior to self-financing;
- Housing improvements and service enhancements to benefit tenants; and
- A Council Housebuilding Programme of 120 units over 6 years (averaging 20 per annum)

The most critical assumption relates to the required stock investment and needs. A full (modern) maintenance standard for the Council's housing stock has been modelled and was adopted by the Council in December 2011. This exceeds the Decent Homes Standard, introducing shorter replacement life-cycles on a more realistic basis.

10.4 The Council's Final Self-financing Settlement

After a series of consultations, the unpopular Housing Subsidy System is being replaced through reform of the HRA by self-financing.

Instead of each local authority either contributing payments to, or receiving subsidy from, the national Housing Subsidy System, a level of debt has been allocated by the Government to each stock-holding local authority - based on thirty-year discount forecasts and using uplifted allowances and an interest rate of 6.5%. Local authorities will either have to pay to the Government the net element of this settlement or receive a debt write-off, based on historic subsidy debt levels.

For this Council, instead of paying in excess of £11.3million per annum (and rising) into the Housing Subsidy System a one-off payment of £185.546million is required.

This will be financed, primarily, by borrowing from the Public Works Loan Board (PWLB) at historically low, and specially discounted, interest rates. However, the final portfolio of loan arrangements and the internal borrowing required by the General Fund is yet to be finalised. Furthermore, confirmation of PWLB interest rates will not be known until 26th March 2012.

10.5 Internal borrowing by the General Fund from the HRA

In December 2011, the Council made a strategic decision that internal borrowing by the General Fund from the HRA is made in such a way as to ensure that the General Fund is no worse off than prior to self-financing. Prior to April 2012, the General Fund has internally borrowed from the HRA by paying the equivalent rate of interest it earns from its balances on the HRA Capital Financing Requirement (CFR). In effect, the HRA will “over-borrow” to enable this to continue, at the same time as it funds the debt settlement. The projected costs to the HRA of over-borrowing have been included throughout the 30 years of the Financial Plan, although it should be noted that the graphs below show the actual HRA CFR net of this.

The debt cap imposed by the Government for the Council, based on the level of debt allocated, remains within the final determination.

10.6 Headline Outputs

This latest version of the Financial Plan has been modelled with the assumptions detailed above, but also with the following assumptions:

- Repayment of the debt within 30 years, whilst holding a minimum balance of £2million (inflated)
- Gradual reduction over 6 years of reserves held in the Major Repairs Reserve and the Revenue Repairs Account
- An increase in the amount available for housing improvements and service enhancements previously agreed by the Council:
 - An additional £750,000 per annum from April 2013;
 - An additional £250,000 per annum from April 2017;
 - A bringing forward of the £4.7million increase by one year in April 2019; and
 - An additional £250,000 per annum in April 2019

The additional provisions and changes to the level of funding for improvements and service enhancements are possible due to the estimated reduction in the interest rate chargeable on the loan(s), from the level of interest rate estimated in December 2011. As highlighted above, a review of the Plan will be required in the next few months - once the financing arrangements have been finalised and the actual interest rate obtained for the loan(s) – since these may well impact on the deliverability of the service enhancements.

The following charts set out:

- The in-year cashflow and balance projections for the HRA (including the above service enhancements);
- The capital investment requirements and availability; and
- The debt repayment profile

Chart 1 - HRA Projections (£'000s)

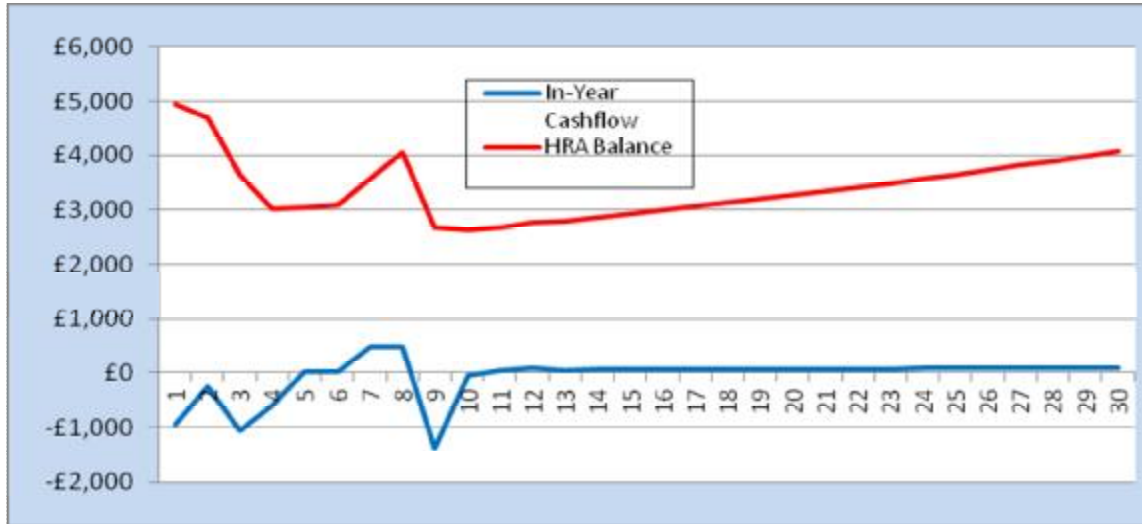


Chart 2 - Capital Expenditure Profile and Funding (£'000s)

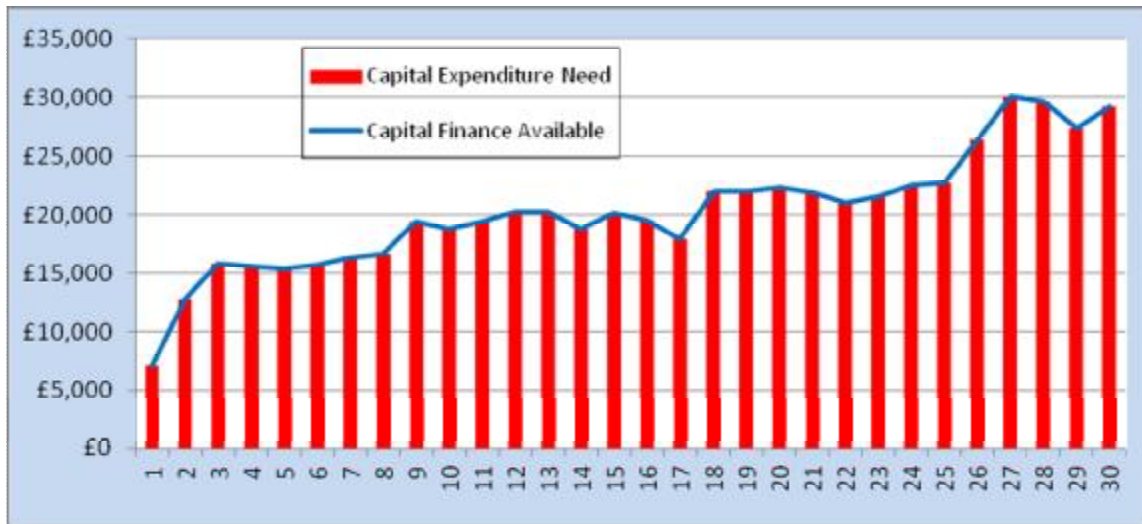
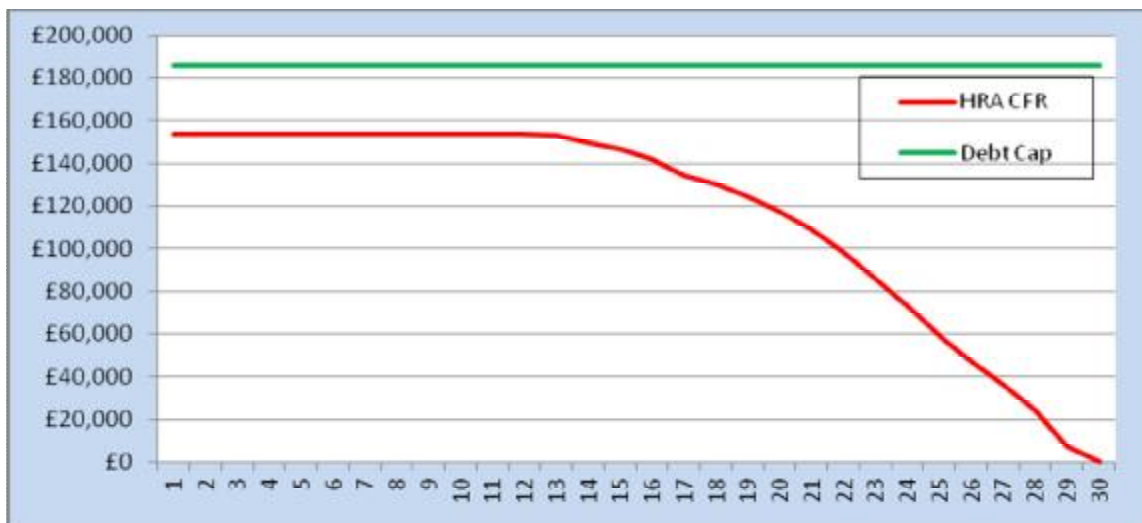


Chart 3 - Projected Debt Profile (£'000s)



The charts above firstly demonstrate that the HRA remains in positive balance throughout the 30 years of the Plan. In addition, the modern maintenance standard and the improvements and service enhancements can be fully funded in each year of the 30 years of the Plan.

The Plan, based on these assumptions, also has the potential to repay the HRA element of debt (HRA CFR) within 30 years, and includes assumptions as to interest levels, internal borrowing between the HRA and the General Fund and improvements / service enhancements, all of which will affect the viability of the Plan.

10.7 Sensitivities

Given that the Financial Plan has been specifically modelled to repay the debt settlement over a 30-year period, by increasing the levels of funding from the previously-agreed levels for service enhancements, it proves that the Plan is viable and very resilient to changes in the key assumptions. This is particularly relevant, as some significant increases in the availability of funding for improvements and service enhancements are introduced later in the life of the Plan.

It must be noted that all management, maintenance and capital expenditure are forecast to increase by base inflation only and therefore any real increases above these provisions will have to be met by efficiency savings or reductions in future service enhancement levels.

10.8 Next steps

As already indicated above, the Council needs to finalise the arrangements for the financing of the debt settlement, which will be completed prior to 26th March 2012.

There is also the potential for changes to the Government's current Right to Buy (RTB) policy to impact on the Plan, with higher numbers of sales. However, the Government's current proposals, under consultation, provide for the Council to have the first call on additional capital receipts that arise from additional RTB sales as a direct result of any Government changes to meet the equivalent level of debt held within the HRA.

CIPFA are yet to finalise the calculation of future depreciation charges under componentisation of assets and therefore the transitional arrangements have been used throughout the life of the Plan, but it is expected that there will be little or no impact from any changes made.

10.9 Risk and Reward

Moving to self-financing for the HRA significantly alters the risk profile in HRA Financial Plans and for the Council's Housing Service.

CIHConsult has classified the following risks under the following headings shown:

Description	Impact	Likelihood	Mitigation and residual risk
Insufficient knowledge of current stock causes unknown liabilities	HIGH	MEDIUM	Increase surveys, full understanding of asset management database -> reduce impact to LOW
Cost inflation is higher than income inflation	HIGH	LOW	Effective budget and financial control -> reduce impact to MEDIUM or LOW
Interest rates rise	MEDIUM	MEDIUM	Flexible approach to debt funding giving opportunities to refinance -> reduce impact to LOW
Right to Buy levels increase	MEDIUM	MEDIUM	Depends on Government policy towards discounts and moves in the housing market; managing costs to the number of properties held -> reduce impact to LOW (but impact on availability of housing)

Restriction on housing benefits; introduction of Universal Credit	HIGH	HIGH	Intensive management and services to vulnerable tenants -> reduce likelihood to MEDIUM
Government revisits the settlement	HIGH	MINIMAL	No action by the Council, but investment of available resources could reduce scale of impact.
Rent increases are not implemented in accordance with Government expectations	HIGH	LOW/MINIMAL	Council policy towards raising rents to convergence are included in this Plan

10.10 Projected Cash Flows and Capital Projections

Thirty-year projected cash flows and capital projections are attached as Appendices 5(a) and 5(b) respectively.

11. Reviewing the Business Plan

11.1 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.

11.2 Financial Monitoring

The HRA Financial Plan for 2012/13 will be monitored and formally reviewed by officers and the Council's HRA Business Planning Consultants, CIHConsult, on a quarterly basis throughout the year by officers. It will be formally monitored and reviewed by the Council's Housing Scrutiny Panel and Housing Portfolio Holder twice, in October 2012 and March 2013.

11.3 Monitoring the Business Plan's Key Action Plan

Chapter 12 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 Continuous Improvement Plan referred to in Section 5.5 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.

11.4 The HRA Business Plan Review process

The review process will commence in January 2013, which will result in the production of a draft HRA Business Plan and Repairs & Maintenance Business Plan 2013/14, 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 2013.

12. Key Action Plan

12.1 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).

Key Action Plan

[To Follow]

15. Appendices

Appendix 1	Repairs and Maintenance Business Plan
Appendix 2	Glossary of Terms
Appendix 3	Senior Staff Structure – Housing Directorate
Appendix 4	Tenant-Selected Performance Indicator Performance and Targets 2011/12 – Related to HRA landlord services
Appendix 5	30 Year HRA Cash Flows

Appendices



Epping Forest District Council

Director of Housing
Alan Hall FCIH MCMi



Housing Repairs and Maintenance Business Plan

2012 - 2013

April 2012



INVESTOR IN PEOPLE

Contents

Page

4	1. Purpose of the Plan
5	2. Introduction to the Maintenance & Repairs Business Plan
	2.1 Housing Directorate within the context of other strategic plans
	2.2 Housing Directorate
	a) Private Sector Housing & Resources
	b) Property
	c) Operations
7	3. Repairs & Maintenance
	3.1 Repairs Refresh Programme
	3.1.1 Repairs Advisory Group
	3.1.2 Restructure of the Housing Repairs Service
	3.1.3 External Repairs Management Contractor
	3.2 Housing Assets
	3.2.1 Legislative requirements and working practices
	3.2.2 Improvements to the Council's Housing Stock – 2008/9
12	4. Quality Repairs & Maintenance Service
	4.1 Tenant Satisfaction – NHF Status Survey
	4.2 Tenant Satisfaction – Tenant Response to Repairs and Maintenance
	4.3 Customer Perspective Programme
	4.4 Housing Excellence Plan
	4.5 Avoidable Contact – National Indicator 14 (NI14)
	4.6 Repairs and Maintenance Focus Group
15	5. Performance
18	6. Expected trends
	6.1 Expenditure
	6.2 Investment needs
	6.2.1 Future Planned Maintenance
	6.2.2 Housing Assets Restructure
	6.2.3 Cyclical Maintenance
	6.2.4 Responsive Repairs
	6.2.5 Voids Refurbishment
	6.2.6 Kitchens & Bathrooms
	6.2.7 Miscellaneous External Repairs
	6.2.8 Disabled Adaptations
	6.2.9 Heating & Rewiring
	6.2.10 Other Maintenance & Repairs
	6.2.11 Door & Window Replacement
	6.2.12 Council House-Building Programme
23	7. Decent Homes
	7.1 Background
	7.2 Achieving the Standard
	7.3 Component Life Cycles
	7.4 Investment Strategy

7.5 Measuring progress

26 **8. Resources & Expenditure Proposals**

8.1 Financial

8.1.1 Expenditure Strategy – 5 years

8.1.2 Expenditure Strategy – 30 years

8.1.3 Maximising Value

8.1.4 Efficiency Savings

8.2 Partnering – The Egan Approach

8.3 Use of SME's & Local Contractors

8.4 Value For Money

8.4.1 Essex Hub – Essex wide Procurement

8.4.2 Use of New & Innovative Contract Types

8.4.3 Benchmarking

31 **9. Risk Management**

9.1 Introduction

9.2 Corporate Risk Register

9.3 Housing Risk Register

9.4 Key Housing Operation Risks – Repairs and Maintenance

33 **10. Strategies**

37 **11. Action plan**

Appendices

39 Appendix A - Investment Needs - 5 & 30 Year Programme

1. Purpose of the Plan

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. In March 2012, the Government will be introducing a major change in the way that local authority Housing Revenue Accounts (HRAs) are funded, called Self Financing, under which this Council will need to make a one-off payment to the Government, the loan for which will then need to be managed over a 30-year period. However, this gives the Council an opportunity to plan the future strategic approach to income and expenditure, particularly relating to planned improvement of the Council's housing stock. This Business Plan sets out how we intend to do this.

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, and the commencement of Mears as the Repairs Management Contractor. This is covered in more detail later in the plan.

The section of this plan, which looks specifically at our ability to meet performance targets has been updated, with actions for improvement 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. In respect of matters relating to the Repairs and Maintenance Plan, the Federation particularly expressed the following views:

- *[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 We agree and support the Business Plan's Programme, particularly improved performance, efficiency savings, an improved structure and objectives and action plan;*
- *We are pleased that the proposed introduction of self-financing for the HRA should enable the Council to invest sufficient resources in its housing stock to keep it properly maintained for many years;*
- *We are pleased to note that, during the year, the Council met the Decent Homes Target, 7 months earlier than the Government's deadline, and has plans and resources in place to ensure that no homes become non-decent;*
- *We are impressed with the benefits already being obtained from the Repairs Refresh the introduction of a Tenant Liaison Office post; and*
- *We fully support the innovative appointment of a private repairs management contractor and feel that this will result in further improvements to the Housing Repairs Service.]*

2. Introduction to the Repairs & Maintenance Business Plan

Epping Forest District Council is a major provider of housing. As at 1st April 2011, the Council owned and managed 6491 properties, 2814 garages, 1 homeless hostel and leased 941 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, 6163 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 19.8 properties per annum have been sold, which equates to approximately 0.3% 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 or the Green Deal from April 2012.

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 as 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

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 2012/13.

During 2010/11, the Housing Repairs Service undertook 12,854 repairs in total. However, up to the end of the 3rd quarter of 2011/12, a total of 12,967 works instructions had been issued.

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 were 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 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 saw 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, giving greater control over the supervision of the works and making it easier to respond to repairs requests. Each area has a Manager and an Assistant Manager, along with Technical Officers and a number of Operatives from all trades.

All posts within the new structure were filled by January 2011, which includes the two Area Repairs Managers, Assistant Area Repairs Managers, Customer Repairs Manager and the appointment of a new Tenant Liaison Officer. However, the appointment of the Repairs Management Contractor followed in May 2011.

3.1.3 External Repairs Management Contractor (RMC)

The Cabinet agreed to appoint, for a initial period of 3-years, and then up to a maximum of 9-years, the services of Mears as their Repairs Management Contractor, to assist the Council to introduce 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 was subject to EU procurement competition. The concept behind the appointment is called “Insourcing”, where the Council retains its Housing Repairs Service, but is managed via a private sector Repairs Contractor.

There are three primary aspects to the RMC contract - the day to day management of the Housing Repairs Service; the delivery of specific projects aimed at improving the service to our tenants, which are defined as “Key Deliverables”; and, the delivery of performance related targets.

There are 5 specific ‘Key Deliverables’ which formed part of the Services Specification of the contract for Mears to deliver in the first 3-years

- a. **Supply Chain Development** – To develop 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** – To develop better financial models, which can then be used for benchmarking and in situations where the HRS is to be reimbursed for works undertaken, including how supply chain partners are also reimbursed for works carried out. This also includes better ways of financial reporting to the Council;
- c. **Implementation of an Effective IT system** – To introduce better IT systems for delivering an effective R&M service from the point of order through to completion and post completion actions. This will also need to integrate with OHMS for Business Continuity. The IT system put forward by Mears is its own MCM system, which has a proven track record across many of their existing contracts elsewhere.
- d. **Introduction of Mobile Working for Operatives** – To introduce mobile working for operatives, linked with an IT system that manages all repairs jobs, including workload, scheduling and appointments.
- e. **Implementation of an appointment based Repairs Service** – To implement a full appointment system whereby all repairs can be undertaken at the convenience of the tenant at a time to suit them.

Mears, as the RMC, commenced in May 2011 and have been asked to manage the change process within the Housing Repairs Service, which it is expected will lead to a stepped improvement in performance. The current performance targets and those expected as part of the contract are set out below:

Description	Current Target	Proposed Target
Emergency Repairs	24 hours	2 hours
Urgent Repairs	7 calendar days	3 working days
Routine Repairs	6 weeks (42 days)	2 weeks (10 days)
Voids (including major works)	30 days	2 weeks (10 days)
Tenant Satisfaction	98%	98%

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. Successive intensive re-assessments have been carried out since by an external auditor, the latest being in January 2012, which resulted in the ISO 9001:2008 status being renewed for a further 3 years.

3.2.2 Improvements to Council Stock – 2010/11

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		2012-13 Target	
	No Properties	Cost (£,000)	No Properties	Cost (£,000)	No Properties	Cost (£,000)
Kitchen and Bathroom replacements	370	1,700	350	1,700	811	3,600
New heating installations, inc boilers or heating upgrades	176	642	250	1,025	426	1,462
Welfare heating installations	28	50	32	50	30	50
Electrical testing, electrical upgrades	353	422	690	300	871	305
Rewires	95	240	110	335	411	1,066
Re-roofing	152	490	244	522	417	1,328
Structural repairs	151	240	300	600	300	600
Disabled adaptations (Major)	100	374	140	400	140	400
Disabled adaptations (Minor)	130	50	170	50	170	50
New front entrance doors,	191	94	213	100	339	150
New uPVC double-glazing	50	101	55	125	413	893
External repairs and redecorations	859	750	875	800	866	710
Door entry Installations	1	6	20	44	263	162
Asbestos removal	42	110	50	115	50	115
Digital TV upgrades	507	70	659	35	0	0
Communal and individual cold water storage tanks	50	25	175	83	422	176
Internal re-decorations for the elderly	96	40	85	40	85	40
Energy Performance Certificates produced	275	15	500	25	500	25
Energy efficiency measures	150	60	600	200	600	200
Stock condition surveys	190	0	600	0	600	0

4. Quality Repairs and Maintenance Service

4.1 Tenant Satisfaction – NHF Status Survey

The last independent tenant satisfaction survey that was carried out was undertaken by the National Housing Federation (NHF), in November 2008. The standard questionnaire and survey process that was used was called “Status”, 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 2010/11	Target 2011/12	Perf -Q3 2011/12
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	0
Housing Repairs Service	Complaints upheld (exc. Minor)	0	No target	0 upheld
Gas Breakdowns	Overall satisfaction - South	99% good 0% poor	96%	n/a – out of contract
Gas Breakdowns	Overall satisfaction - North	100% good 0% poor	96%	100% good 0% poor
Internal redecoration	Overall satisfaction	97% good 0% poor	96%	100% good 0% poor
Kitchen & Bathroom Programme	Overall satisfaction	100% good 0%poor	96%	90% good 3%poor
Digital tv upgrade	Overall satisfaction	94% good 1%poor	96%	78% good 15% poor
Structural repairs	Overall satisfaction	92% good 0%poor	96%	n/a% good n/a%poor
Gas heating installation	Overall satisfaction	96% good 1%poor	96%	97% good 0%poor
Installation of Front Entrance Doors	Overall satisfaction	95% good 2%poor	96%	100% good 0%poor
Re-roofing	Overall satisfaction	89% good 4%poor	96%	94% good 0%poor
External Repairs & Redecorations	Overall satisfaction	86% good 4%poor	96%	86% good 2%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 review its services, based on the former Audit Commission key lines of enquiry (KLOEs), 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

The Council’s overall aim is 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-centre 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 2011, which has seen the introduction of a new telephone call answering system, which automatically directs people to the service area they require, as well as an appointment based repairs service with SMS text messages being used to confirm appointments and remind tenants of appointments. This has seen a drop in the number of callers that have dialled incorrectly or not actually wanted housing Repairs, or eliminated the need for many calls where tenants have in the past had to chase when their repair was likely to take place.

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 2011, 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.
- Agreed on a voids standard, with one representative attending a void from start to end to review the quality, standard and procedure.

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 10/11	Target 2011/12	Perf -Q3 11/12
Adaptations (Minor)	Acknowledgement time	1.2 days	7 days	1.3 avg
Adaptations (General)	Acknowledgement time	1.6 days	7 days	1.9 avg
Adaptations (Minor)	Time from decision to completion of work	21.5 days	28 days	22.9 avg
Adaptations (General)	Time from decision to completion of work	69 days	90 days	84 avg
Adaptations (General)	Time from works order to completion	33 days	56 days	51 avg
Adaptations (Minor)	No. outstanding at end of period, not completed within target time	1	none	8
Adaptations (General)	No. outstanding at end of period, not completed within target time	2	none	10
Gas servicing	Graceland and Kinetics - No. of CP12 lapsed (over 12 months)	12 Gracelands	none	1 Gracelands
		16 Kinetics	none	4 Gracelands
Gas servicing	Graceland and Kinetics - % of properties where servicing not complete within 12 months: non-access	0.38% Gracelands	0%	0.03% Gracelands
		0.57% Kinetics	0%	0.14 Gracelands
Gas servicing	Percentage of Gas Safety Certificates outstanding at the end of period	0.47%	none	0.08%
Gas Breakdowns	Breakdowns attended within Fast Track (1 hour) - Gracelands	100%	100%	100%
Gas Breakdowns	Breakdowns attended within Fast Track (1 hour) - Kinetics	91%	100%	100% Gracelands
Gas Breakdowns	Breakdowns - Emergency attended (within 1 hour) and left correct - Gracelands	91.3%	none	95.5%
Gas Breakdowns	Breakdowns - Emergency attended (within 1 hour) and left correct - Kinetics	56.52%	none	98.9% Gracelands
Gas Breakdowns	Breakdowns - Completed within 24 hours and left correct - Gracelands	77.4%	85%	78.6%
Gas Breakdowns	Breakdowns - Completed within 24 hours and left correct - Kinetics	68.27%	85%	76.5% Gracelands

Gas Breakdowns	Breakdowns - Completed within 5 days - Gracelands	100%	95%	100%
Gas Breakdowns	Breakdowns - Completed within 5 days - Kinetics	100%	95%	100% Gracelands
Internal redecoration	Average time from application to acceptance (including checking process)	3.4 days	7 cal days	4.0 avg
Internal redecoration	Average time from application to completion	3.9 weeks	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	0%	0%	0%
Repairs	% of appointments kept	98%	95%	90.13%
Repairs	Average time to complete urgent repairs	5.0	5 w/days	4.0
Repairs	Average time to complete non-urgent repairs	18 days	42 days	15.0 days
Repairs	% of emergency repairs completed within target time (24 hours)	98%	99%	98%
Repairs	% of repairs undertaken within target time: Priority within 3 days (priority code 3)	98%	95%	92%
Repairs	% of urgent repairs completed within target time of 5 working days	69%	95%	86%
Repairs	% of routine repairs completed within target time of 6 weeks	92%	95%	96%
			%	E / U / R
Repairs	% of all repairs received emergency / urgent / routine	49/08/43	10/20/70	17/05/29
Voids	Time for Works Unit to complete repairs	18.7	15 w/days	31.48
Voids	% rent loss through voids	1.03	1.9%	0.90
Voids	Average time taken to re-let (overall void period)	63	No target	66
Voids	Average overall void period (excluding difficult to let)	31	30 days	32
Voids	No of voids with Works on 1st day of period	42	no target	19
Voids	Total number of voids	425	no target	243
Voids	Voids with Works > 6 weeks	90	no target	60

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 The main responsive repairs targets in respect of emergencies, urgent and routine repairs as well as voids are linked to the new Repairs Management Contractor incentivisation scheme. With the new IT system, including mobile working going live in January 2012, it is anticipated that these will improve significantly over the coming months.

2 The ratio between emergency, urgent and routine responsive repairs has been addressed as an interim measure in-so-much as more works are being undertaken by appointment. This de-classifies the repair priority until the schedule of rates are amended, taking away the priority coding, which is main driver to the poor performance of this indicator.

3 Overall void periods continue to be an area that the Council need to improve on. In January 2012, the Council has piloted a radical new approach to dealing with voids, whereby one contractor now has overall responsibility to assess the void against the void standard, undertake the works and then hand back the property ready to let. The target for all voids undertaken in this pilot is a maximum of 10 working days. If successful, then the Council will need to roll out this procedure for all voids.

6. Expected trends

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 the next 12 months can be summarised as follows:

HRA Self-financing – The implications of the HRA Self Financing, which amongst other things will see a 50% increase in the amount of capital expenditure available to maintain the Council's housing stock to a more modern standard, based on current stock condition and standard industry life cycles, as opposed to maintaining the stock at the current minimum Decent Homes Standard. Self financing will commence in April 2012. This will also bring about the opportunity for the Council to commence a Council house building programme for the first time since the 1980's

Decent Homes – Although the Council has managed to bring all of its properties up to the Decent Homes Standard, under HRA self-financing there is an opportunity for the Council to maintain the Council's housing stock to a more modern standard, based on current stock condition and standard industry life cycles, as opposed to maintaining the stock at the current minimum Decent Homes Standard.

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 since 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 6-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 visits 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 look at alternative renewable fuel sources for heating homes in the rural communities where there is no mains gas and the relative cost of electricity is high or the volatile pricing for bottled gas and oil makes it difficult for residents to heat their homes

A more modern standard for planned improvements – An ageing stock requires an increase in the level of repairs, although this is being offset by a planned maintenance programme. However, through the HRA self-financing, the Council has agreed to increase expenditure on planned maintenance and to maintain our housing stock to a more modern standard, but work will still need to be prioritised towards those properties in most need and only undertaken where it is required.

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, efficiency savings are helping to offset 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 substantial 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 restrictions, there is a heavier reliance on the use of sub-contractors to undertake void works as well as electrical repairs and inspections. This is resulting in slightly higher costs, albeit offset by a small saving in the salaries budget.

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.

Council House-Building – For the first time in around 20-years the Council has agreed to commence a small Council house building programme of around 20 affordable homes per year over a 5-year period on the sites of difficult to let garages across the district. Around £16 million

has been identified to fund the programme. This new programme will be managed from within the Housing Assets Section, where a Development Officer Post has been agreed. The detailed feasibility, appraisals, design, approvals, procurement and delivery will be managed via a Development Agent, who the Council will appoint during 2012 via an EU compliant tender.

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 Appendix A (summary of expenditure over a 5 and 30-year period).

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 and taken into account, along with the programme to maintain the housing stock to a more modern standard that has been agreed as part of the HRA self-financing. Appendix A details the investment strategy over the next 5 and 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 Housing Repairs Service. Financially, this work is now falling on the capital programme rather than on the Housing Repairs Fund.

6.2.2 Housing Assets Restructure

The Council needs to have adequate staffing resources in place to deliver a full maintenance programme to a modern standard, which was agreed by the Cabinet as its strategic approach to its HRA Financial Plan. The Cabinet will be considering a report on the restructure of the Housing Assets Section, which recommends four additional fte staff as well as an additional part-time Development Officer to oversee the new council house-building programme.

6.2.3 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.

6.2.4 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 quarterly intervals as part of the Continuous Improvement agenda.

The Housing Repairs Fund makes allowance for around £5 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 £2.98 million over the next 5 years for small capital repairs.

6.2.5 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 £6.19 million, made up of a combination of revenue and capital over the next five years on void refurbishment.

6.2.6 Kitchens & Bathrooms

Since the advent of the Decent Homes Standard, the Council has offered its tenants a choice on the type of units and offered a choice of layout to suit individuals' tastes and needs. The Council has invested substantially in this area in the past and continues to do so. Over the next 5-years, the Council intends to spend around £18.19 million on kitchen and bathroom replacements.

6.2.7 Miscellaneous External Works

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 £3.189 million over the next 5 years. This has been allocated towards improvements to estate footpaths, off street parking (excluding general fund contributions) and new and enhanced external lighting.

6.2.8 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 £400,000 per annum over the next 5-years on major disabled adaptations, a further £25,000 per annum on minor adaptations and £50,000 per annum on welfare heating. It is anticipated that a further £75,000 will be needed in 2012/13 to offset a number of adaptations where extensions will be required. The 5-year anticipated expenditure for disabled adaptations is £2.375 million.

6.2.9 Heating and Re-wire

An area of significant investment over previous years has been in heating and rewiring. This could be in the form of either a partial heating upgrade, boiler replacement or a complete new heating system. In terms of electrics, expenditure has been focused on electrical testing and minor upgrade works or a complete rewire. This now needs to be enhanced further with the introduction of testing and upgrade work to the communal installations and “industrial” installations, including the rising laterals and incoming mains. Over the next 5-years, around £11.322 million is to be invested in heating and electrics, which excludes the annual gas heating service and maintenance contract, which is funded from revenue.

6.2.10 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.

6.2.11 Door and Window Replacement

The Council has installed Upvc windows in the majority of its properties. However, whilst regarded as maintenance free, they do still have a life expectancy. As a consequence, the Council is now starting to renew some of the first Upvc windows installed over 20 years ago, as these were installed with only single glazing and not double glazing. When installing front entrance doors, the Council is specifying modern composite doors, which are not only energy efficient but meet “Secure By Design” standards. Over the next 5-years the Council plans to spend around £4.797 million. replacing windows and doors

6.2.12 Council House-Building Programme

As explained earlier, the Council has identified around £16 million over a 5-year period to develop around 20 affordable homes per year commencing in 2013/14. Any funding shortages identified will be subject to cross subsidy from either S106 contributions from other ‘Windfall’ sites, via grant applications from the Homes and Communities Agency (HCA) or from the sale of individual units or sites. Detailed financial appraisals will be undertaken before any site is developed to agree the funding arrangements.

7. Decent Homes

7.1 Background

In July 2000, the Government 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 meet these targets, announcing in 2010 that all of its properties had met the Decent Homes Standard, some 8 months ahead of the Government’s target deadline and without any additional grant from the Government. The next challenge was to maintain the stock in good condition so that no homes became non-decent. However, in 2012, the Council has agreed to exceed the Decent Homes Standard and to look at the components of each home and base the future planned maintenance programme on a more modern standard whereby components will be assessed against average life cycles rather than extended life cycles.

7.3 Component Life Cycles

In the past, the Council has assessed each property against a life cycle of 32 years for a kitchen and 40 years for a bathroom. The new 5 and 30-year capital programmes have been based on a 16 year and 24 year life cycle respectively. The table below illustrates the life cycles for other individual components based on the previous extended life-cycles compared to the new average life-cycles.

Component	Extended Elemental Life-Cycle	Average Elemental Life-Cycle
Boiler replacement	24	16
Electric Heating	24	16
Rewire	40	32
Front Entrance Door replacement	32	24
PVCu double-glazing replacement	32	24
Tiles pitched roof	48	40
Flat roof	20	20
Water tank renewal	40	28
Door Entry Systems	40	16
Kitchen replacement	32	16
Bathroom replacement	40	24

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 database has been updated with the average life-cycles in the table above, and the 5 & 30 year forecasts updated accordingly. These can be found at appendix A & B of this Business Plan, where it can be seen that the Council has around £48 million included in the first 5-years for planned improvements to Council properties.

The key strategy in previous years since the introduction of the Decent Homes Standard has been around developing a program of work where properties are failing and then only undertake work which will ensure that they are not caught by the criteria. However, under the new HRA Self-financing arrangements, the Council is able to go beyond this and undertake more works in each property to achieve a more modern standard, using average life-cycles as opposed to extended life-cycles. However, it would not be a good use of resources if components were changed purely because they have reached a specified age. Therefore, the Council intends to only undertake improvements if the components are at the end of their useful life and by replacing, it provides good value for money. In time, this strategy will see a reduction in revenue expenditure as fewer

repairs will be necessary.

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.

8. Resources & Expenditure Proposals

8.1 Financial

The Council has sought expert advice over the future financing of the Housing Revenue Account as a result of the new HRA Self-Financing regime. CIHConsult have reported to the Council's Cabinet, who have agreed the amount of finance available to fund repairs and maintenance over the 30-years based on forecasts by CIHConsult.

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	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's
Housing Ass Growth Area Funding	70	0	90	0	0
HRA - RCCO	2,050	5,200	5,900	6,600	7,300
HRA - MRR	4,906	7,606	9,027	8,209	7,224
Total	7,026	12,806	15,017	14,809	14,524

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 condition of the Council's housing stock to a higher standard than the Decent Homes Standard, and continuing to prevent 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 2015/16.

SUMMARY OF THE HOUSING CAPITAL FIVE YEAR PROGRAMME – AS AGREED

Detail	FORECAST SPENDING				
	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's
Heating & Rewire	1,567	2,741	2,448	2,503	2,336
Doors & Windows	194	1,048	1,238	1,282	1,134
Roofing	471	1,661	1,338	1,293	1,106
Asbestos Removal	71	115	115	100	100
Other Planned Maintenance	387	412	405	432	396
Structural Works	471	600	600	600	300
Voids & Small Capital Repairs	896	438	438	438	438
Kitchens & Bathrooms	1,837	3,750	4,544	4,178	4,188
Environmental Works	470	1,397	613	640	564
Disabled Adaptations	423	450	450	450	450
Others, including contingencies	239	250	2,879	2,944	3,562
TOTAL EXPENDITURE	7,026	12,862	15,068	14,860	14,574
TOTAL FUNDING, including M.R.R and Capital Receipts (excluding carry forwards)	7,026	12,862	15,068	14,860	14,574

The above table reflects a programme of planned maintenance works that is affordable based on an agreed Capital Programme. Funding for the new Council house-building is included in the above table under 'Other'.

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

The Council's financial advisors CIHConsult have used the data held by the Council in its stock condition survey database to calculate the amount of funding that will be available through HRA self-financing over the next 30-years; this was reported to the Council's Cabinet in December 2011. This has seen around a 50% increase on what the Council previously had available through the previous Housing Subsidy scheme, which has enabled the Council to plan a programme of works that will mean replacing the major components of Council owned properties based on average life cycles rather than extended life-cycles. In order to plan for and deliver such an enhanced capital programme, it will be necessary to recruit additional resources within the Housing Assets Section. Therefore, the capital programme only sees a modest increase in capital in the first year.

Appendix A provides an analysis of capital, or investment expenditure, over a 5 and 30-year period.

8.1.3 Maximising Value

Whilst the Council will see a 50% increase in capital available to invest in its housing stock over the next 30-years, 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 to consider the replacement of building components at the end of their expected life-cycle. The Council will not consider a replacement unless it can be judged to be necessary. This approach replaces the 'just in time' strategy previously adopted. This will result in a small reduction in the amount of revenue the Council will need to spend on responsive repairs.

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 SME & Use of Local Contractors

The Council's Contract Standing Order states that local contractors should be included on all tender lists wherever possible. This has been the practice for a number of years, with many local contractors and small or medium enterprises (SME's) successfully winning contracts to undertake planned maintenance works. Around 70% of all contractors currently in contract with the Council fall into one or more of these categories, which helps to add financial stimulus in the district.

8.4 Value for Money

8.4.1 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.

8.4.2 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 a 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.

8.4.3 Benchmarking

The last benchmarking exercise that took place was in January 2007, which compared at the schedule of rates used by the Housing Repairs Service 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 Housing Repairs Service, whereas 5 operate their own DLO's 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 Housing Repairs Service 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 Housing Repairs Service 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 2006, and again in November 2008. These benchmarking exercises 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 Council has fully implemented the Mears MCM IT system. 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

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
- Major failure of the Council’s telephony service
- 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

- Welfare of staff, including physical or verbal attacks.
- Uninsured losses, especially through subsidence, heave or landslip
- Catastrophic budget overspends
- Severe adverse weather conditions

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
A	Maintenance and Repair Programmes	
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> <p>HRA Self Financing (Capital Strategy)</p>
2.	<p>To achieve the following key targets:</p> <p>To replace all boilers with concealed vertical flues (for H&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>Renewing major components based on average life cycles. However, only renewing the components when needed.</p> <p>Using criteria for the replacement of sub components to extend the lifetime of heating</p>	<p>ODPM Guidance on Business Plans</p> <p>Value for Money Strategy</p>

	<p>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.	Responsive Repairs and Voids Work	
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 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>	Repairs Refresh Programme Continuous Improvement Plan
C.	Resources	
1.	<p>To maximise funding on maintenance expenditure by:</p> <p>Making use of available capital receipts where possible.</p> <p>Transferring approximately £5 million from the HRA into the HRF each year for a further 4-years.</p>	Housing Services Risk Strategy Capital Strategy
2.	To review the level of staffing resources annually against the planned level of expenditure.	Repairs Refresh Programme Value for Money Strategy
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.	
D.	Tenant Consultation and Participation	
1.	To discuss expenditure plans and programmes of work with the Tenants and	EFDC Tenant Participation Agreement

	Leaseholders Federation at least annually.	
2.	To involve representatives of the Tenants and Leaseholders Federation in discussions on new policies relating to the Repairs and Maintenance Services.	EFDC Tenant Participation Agreement Housing Services Risk Strategy
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
7.	To invite a Tenant's representative to jointly inspect voids to ensure the standard for re-letting is to an acceptable standard.	
E.	Contract Strategy	
1.	To explore new and innovative forms of contract to ensure value for money and minimise risks to the Council. To continue to use either framework agreements or Partnering contracts for new areas of work as our default form of contract.	Value for Money Strategy Housing Services Risk Strategy
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 Procurement Strategy
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
4.	To invite local contractors an SME's to tender for all planned maintenance contracts wherever possible	Contract Standing Orders Procurement Strategy

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.	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.
3.	To install mains operated smoke detectors in all Council owned properties over the next 5-years	HAM	2012-2017	Subject to agreement as part of the Service Enhancements.
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 2012	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 2013	
7.	Explore options whereby emphasis is put on “fix first time” for responsive repairs.	CRM	Dec 2012	(a) To be undertaken in conjunction with the Repairs Refresh Programme.
	Seek, through the Essex Hub, a framework agreement with specialist contractors for, Gas Servicing and Maintenance (South), electrical testing and rewiring, Digital TV maintenance, bathroom adaptations, Energy Efficiency as well as ad-hoc repairs where necessary	HAM	Various throughout 2012/13	(b) Identified through Repairs Refresh 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. To commence the installation of external wall insulation for solid wall constructed properties, and to seek grant funding to support future programmes	HAM HAM	On-going April 2012	Installing air source heat pumps. Report on the benefits to be incorporated in the Energy Efficiency Strategy. Awaiting Green Deal 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 <ul style="list-style-type: none"> • 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 undertake small jobs on behalf of older people free of charge, which are currently specified as the tenants' responsibility. This will be via directly employed tradesmen for residents at Sheltered Accommodation and through a direct grant to the Voluntary Action Epping Forest for those qualifying tenants' in other general needs housing.	HRM	2012/13	Subject to agreement as part of the Service Enhancements.
13.	To implement "key deliverables" as defined in the Repairs Refresh Programme: <ul style="list-style-type: none"> • To develop better supply chain arrangements with suppliers to ensure value for money. 	RMC	2011-2014	As part of the Repairs Refresh Programme.
14.	To develop a separate Repairs and Maintenance Service Strategy	ADoH (P)	July 2012	
15.	To seek to include at least one local business on the list of tenderers for all future contracts.	HAM / HRM	On-going	

Appendix A – 5 & 30-Year Capital Programme

Stock Expenditure Profile

Planned Capital Works

		5-Year Capital Expenditure (per Year)					Years 1-5	Years 6-10	Years 11-15	Years 16-20	Years 21-25	Years 26-30
Component		2011-12	2012-13	2013-14	2014-15	2015-16	2011-15	2016-2020	2021-2025	2026-2030	2031-2035	2036-2040
Heating & Rewire	Gas Heating	649,000	1,480,168	1,523,630	1,524,500	1,464,916	6,642,214	7,215,960	7,500,906	5,905,856	7,667,796	7,111,775
	Electric Heating	279,000	101,500	154,000	133,000	192,758	860,258	574,000	92,879	16,017	28,000	819,258
	MVHR Installations	8,000	40,000	40,000	40,000	40,000	168,000	200,000	200,000	200,000	200,000	200,000
	Re-Wiring	621,000	942,987	608,750	641,250	505,750	3,319,737	2,473,554	3,376,597	2,820,000	2,499,864	3,514,037
	Water Tank	10,000	176,600	121,400	164,200	132,200	604,400	620,340	496,800	617,438	376,332	357,283
Doors & windows	Front Doors	194,000	154,515	150,300	144,445	152,100	795,360	744,690	698,572	497,900	418,524	679,210
	Windows (Double-Glazed)	0	893,796	1,088,000	1,138,000	981,890	4,101,687	4,796,013	4,818,456	2,995,248	859,234	5,152,687
Roofing	Tiled Roof Covering	466,000	1,465,900	1,162,500	1,141,759	1,011,000	5,247,159	6,789,138	4,392,500	3,995,016	288,220	20,000
	Flat Roof Covering	0	170,000	150,000	126,000	70,000	516,000	363,231	565,826	743,060	347,668	458,563
	Balcony Resurfacing	5,000	25,000	25,000	25,000	25,000	105,000	125,000	125,000	125,000	125,000	125,000
	Asbestos Removal	71,000	115,000	115,000	100,000	100,000	501,000	500,000	500,000	500,000	500,000	500,000
Other Planned Maintenance	Norway House Improvements	36,000	50,000	50,000	50,000	50,000	236,000	250,000	250,000	250,000	250,000	250,000
	Communal TV Upgrade	180,000	0	0	0	0	180,000	75,000	75,000	75,000	75,000	75,000
	Door Entry	11,000	162,000	154,725	181,613	145,838	655,175	601,275	368,183	512,888	660,113	430,545
	Energy Efficiency Works	160,000	200,000	200,000	200,000	200,000	960,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	Structural Works	471,000	600,000	600,000	600,000	300,000	2,571,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
	Void General Capital Works	896,000	438,000	438,000	438,000	438,000	2,648,000	2,190,000	2,190,000	2,190,000	2,190,000	2,190,000
Kitchens & Bathrooms	Kitchen	1,837,000	2,394,900	2,626,338	2,180,497	2,415,000	11,453,735	11,613,624	9,136,744	10,474,720	11,851,519	8,916,670
	Bathroom	0	1,355,012	1,917,300	1,997,338	1,772,769	7,042,419	8,460,270	5,448,282	3,965,439	1,455,037	8,876,538
Environmental Improvements	Fencing	5,000	15,000	15,000	15,000	15,000	65,000	75,000	75,000	75,000	75,000	75,000
	Environmental Improvements	128,000	50,000	50,000	50,000	50,000	328,000	250,000	250,000	250,000	250,000	250,000
	Garage Roofs and Doors	0	42,000	242,050	268,800	193,350	746,200	140,350	748,100	607,300	291,700	746,950
	Off Street Parking	174,000	1,023,000	41,000	41,000	41,000	1,320,000	205,000	205,000	205,000	205,000	205,000
	Estate Enhancements	128,000	102,000	100,000	100,000	100,000	530,000	500,000	500,000	500,000	500,000	500,000
	Struct. Watercourse Improvements	0	10,000	10,000	10,000	10,000	40,000	50,000	50,000	50,000	50,000	50,000
	CCTV	25,000	50,000	50,000	50,000	50,000	225,000	250,000	250,000	250,000	250,000	250,000
	External Lighting Schemes	5,000	5,000	5,000	5,000	5,000	25,000	25,000	25,000	25,000	25,000	25,000
	Drainage Works	5,000	100,000	100,000	100,000	100,000	405,000	500,000	500,000	500,000	500,000	500,000
Disabled / Adapt.	Disabled Adaptations (Heating)	42,000	50,000	50,000	50,000	50,000	242,000	250,000	250,000	250,000	250,000	250,000
	Disabled Adaptations	381,000	400,000	400,000	400,000	400,000	1,981,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
	Feasibilities	16,000	15,000	15,000	15,000	15,000	76,000	75,000	75,000	75,000	75,000	75,000
	Contingency Sum / Other	223,000	235,000	2,864,000	2,929,000	3,547,000	9,798,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Capital Expenditure		7,026,000	12,862,378	15,066,993	14,859,402	14,573,570	64,388,344	57,412,445	50,663,843	46,170,881	39,764,006	50,103,515

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.
Public Works Loan Board (PWLB)	An agency of HM Treasury that lends money to public organisations at preferential rates. The PWLB has provided the loans to the Council to fund the HRA self-financing payment to the Government
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.

Housing Directorate Senior Staff Structure

[To Follow]

Appendix 4

Tenant-Selected Performance Indicators Performance (2011/12 - Quarter 3) and Targets (2012/13)				
Service	Definition	Target (2011/12)	Actual (2011/12 – Q3)	Target (2012/13)
Careline	% of Careline calls responded to within 1 min (excl. routine calls managers & test calls)	99 %	99.6 %	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 %	Unable to calculate until end of year	98.8 %
Estate Management	No. of estate inspections completed	82	39	82
Repairs	% of appointments kept	95 %	93 %	95 %
Repairs	Average time to complete urgent repairs	5 working days	4 working days	5 working days
Repairs	Average time to complete non-urgent repairs	42 days (6 weeks)	15 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 %	92 %	95 %
Repairs	% Urgent repairs completed within target time of 5 working days	95 %	86 %	95 %
Repairs	% Routine repairs completed within target time of 6 weeks	95 %	96 %	95 %
Repairs	% Satisfaction (good or satisfactory) with general standard of repairs	98 %	99 %	98 %
Repairs	Expressions of dissatisfaction:			
	(a) Total no.	(a) 0	(a) 0	(a) 0
	(b) % of total repair requests	(b) 0 %	(b) 0 %	(b) 0 %
	(c) Poor satisfaction upheld	(c) 0	(c) 0	(c) 0

Voids	Average overall void period (excluding difficult to let properties)	30 calendar days	32 days	30 calendar days
Adaptations (Minor)	Time taken from decision to completion of work	28 calendar days	23 days	28 calendar days
Adaptations (General)	Time taken from decision to completion of work	90 calendar days	84 days	90 calendar days
Gas Servicing	Tenant satisfaction: (a) % "Excellent" or "Good": (b) % "Poor":	(a) 96 % (b) < 5 %	(a) 99 % (b) 0 %	(a) 96 % (b) < 5 %
Gas Servicing	No. of CP12 (annual safety certificates) lapsed	0	5	0
Kitchen & Bathroom Programme	Overall satisfaction	96 %	90 %	96 %
Decent Homes	No. of homes that are non-decent (of total housing stock)	0	0	0

HRA Cash Flows: 2011/12 – 2040/41

HOUSING REVENUE ACCOUNT PROJECTIONS

Epping Forest District Council

Year	2011.12	2012.13	2013.14	2014.15	2015.16	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26
£'000	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
INCOME:															
Rental Income	27,829	29,455	30,738	32,230	33,831	35,496	37,227	38,521	39,811	40,955	42,132	43,343	44,588	45,869	47,187
Void Losses	-285	-307	-307	-322	-338	-354	-372	-385	-397	-409	-421	-433	-445	-458	-471
Service Charges	1,615	1,621	1,661	1,703	1,745	1,789	1,834	1,879	1,926	1,975	2,024	2,074	2,126	2,179	2,234
Non-Dwelling Income	890	890	913	936	959	983	1,007	1,033	1,058	1,085	1,112	1,140	1,168	1,198	1,227
Grants & Other Income	309	322	330	338	347	355	364	373	383	392	402	412	422	433	444
Total Income	30,359	31,981	33,335	34,885	36,544	38,269	40,061	41,422	42,781	43,998	45,250	46,537	47,860	49,222	50,622
EXPENDITURE:															
General Management	-3,906	-3,877	-3,974	-4,076	-4,180	-4,287	-4,396	-4,508	-4,623	-4,739	-4,857	-4,979	-5,103	-5,231	-5,361
Special Management	-3,384	-3,470	-3,557	-3,646	-3,737	-3,830	-3,926	-4,024	-4,125	-4,228	-4,334	-4,442	-4,553	-4,667	-4,783
Other Management	-11,758	-1,208	-1,238	-1,269	-1,301	-1,333	-1,367	-1,401	-1,436	-1,472	-1,509	-1,546	-1,585	-1,625	-1,665
Rent Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bad Debt Provision	-114	-114	-153	-161	-169	-177	-185	-191	-197	-203	-209	-215	-221	-227	-233
Responsive & Cyclical Repairs	-5,200	-5,200	-5,200	-5,300	-5,300	-5,300	-5,799	-6,558	-6,736	-6,920	-7,108	-7,301	-7,500	-7,687	-7,880
Total Revenue Expenditure	-24,362	-13,869	-14,123	-14,451	-14,686	-14,927	-15,673	-16,682	-17,117	-17,561	-18,016	-18,483	-18,962	-19,436	-19,923
Interest Paid	0	-6,287	-7,418	-7,418	-7,418	-7,418	-7,418	-7,418	-7,418	-7,418	-7,418	-7,418	-7,418	-7,402	-7,320
Finance Administration	-84	-44	-44	-45	-46	-47	-49	-50	-51	-52	-54	-55	-56	-58	-59
Interest Received	590	553	494	445	417	410	414	421	414	404	404	404	405	406	407
Depreciation	-4,978	-6,932	-6,943	-6,953	-6,962	-7,791	-7,998	-8,211	-8,407	-8,608	-8,813	-9,024	-9,240	-9,460	-9,686
Net Operating Income	1,525	5,402	5,301	6,462	7,849	8,495	9,337	9,482	10,202	10,763	11,352	11,961	12,606	13,353	14,164
APPROPRIATIONS:															
FRS 17 /Other HRA Reserve Adj	-424	-448	-459	-471	-482	-495	-507	-520	-533	-546	-559	-573	-588	-603	-618
Revenue Provision (HRACFR)	0	0	0	0	0	0	0	0	0	0	0	0	-814	-3,268	-2,949
Revenue Contribution to Capital	-2,050	-5,200	-5,900	-6,600	-7,338	-7,970	-8,341	-8,477	-11,044	-10,267	-10,740	-11,308	-11,169	-9,420	-10,535
Total Appropriations	-2,474	-5,648	-6,359	-7,071	-7,820	-8,465	-8,848	-8,997	-11,576	-10,813	-11,300	-11,882	-12,571	-13,291	-14,102
ANNUAL CASHFLOW	-949	-246	-1,058	-609	29	30	490	485	-1,374	-50	52	80	35	62	62
Opening Balance	5,887	4,938	4,692	3,634	3,025	3,053	3,084	3,573	4,058	2,684	2,634	2,686	2,766	2,801	2,863
Closing Balance	4,938	4,692	3,634	3,025	3,053	3,084	3,573	4,058	2,684	2,634	2,686	2,766	2,801	2,863	2,925

HOUSING REVENUE ACCOUNT PROJECTIONS
Epping Forest District
Council

Year	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34	2034.35	2035.36	2036.37	2037.38	2038.39	2039.40	2040.41
£'000	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
INCOME:															
Rental Income	48,543	49,938	51,373	52,849	54,367	55,929	57,536	59,189	60,889	62,638	64,437	66,288	68,192	70,151	72,166
Void Losses	-485	-499	-513	-528	-543	-558	-574	-591	-608	-625	-643	-662	-681	-700	-720
Service Charges	2,290	2,347	2,406	2,466	2,528	2,591	2,656	2,722	2,790	2,860	2,931	3,004	3,080	3,157	3,235
Non-Dwelling Income	1,258	1,290	1,322	1,355	1,389	1,424	1,459	1,496	1,533	1,571	1,611	1,651	1,692	1,734	1,778
Grants & Other Income	455	466	478	490	502	515	528	541	554	568	582	597	612	627	643
Total Income	52,062	53,542	55,065	56,632	58,243	59,900	61,603	63,356	65,158	67,012	68,918	70,879	72,895	74,969	77,101
EXPENDITURE:															
General Management	-5,495	-5,633	-5,774	-5,918	-6,066	-6,218	-6,373	-6,532	-6,696	-6,863	-7,035	-7,211	-7,391	-7,576	-7,765
Special Management	-4,903	-5,026	-5,151	-5,280	-5,412	-5,547	-5,686	-5,828	-5,974	-6,123	-6,276	-6,433	-6,594	-6,759	-6,928
Other Management	-1,707	-1,750	-1,793	-1,838	-1,884	-1,931	-1,979	-2,029	-2,080	-2,132	-2,185	-2,240	-2,296	-2,353	-2,412
Rent Rebates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bad Debt Provision Responsive & Cyclical Repairs	-240	-246	-253	-261	-268	-275	-283	-291	-300	-308	-317	-326	-335	-344	-354
Total Revenue Expenditure	-20,422	-20,933	-21,457	-21,994	-22,545	-23,110	-23,688	-24,281	-24,889	-25,513	-26,151	-26,806	-27,478	-28,166	-28,871
Interest Paid	-7,045	-6,807	-6,568	-6,361	-6,111	-5,803	-5,413	-4,955	-4,463	-3,926	-3,397	-2,944	-2,485	-1,900	-1,226
Finance Administration	-61	-62	-64	-65	-67	-69	-70	-72	-74	-76	-78	-80	-82	-84	-86
Interest Received	408	409	410	411	412	413	414	415	416	418	419	420	421	423	424
Depreciation	-9,918	-10,155	-10,397	-10,646	-10,900	-11,161	-11,427	-11,700	-11,979	-12,266	-12,558	-12,858	-13,165	-13,480	-13,802
Net Operating Income	15,024	15,995	16,989	17,976	19,032	20,171	21,419	22,763	24,169	25,649	27,153	28,611	30,107	31,762	33,541
APPROPRIATIONS:															
FRS 17 /Other HRA Reserve Adj Revenue Provision (HRACFR)	-633	-649	-665	-682	-699	-716	-734	-752	-771	-791	-810	-831	-851	-873	-894
Revenue Contribution to Capital	-4,580	-7,357	-4,579	-5,752	-6,778	-8,599	-10,926	-11,973	-12,621	-14,211	-12,273	-10,363	-12,574	-16,685	-17,008
	-9,746	-7,922	-11,679	-11,473	-11,484	-10,782	-9,684	-9,961	-10,699	-10,567	-13,988	-17,334	-16,594	-14,115	-15,548
Total Appropriations	-14,959	-15,928	-16,923	-17,906	-18,961	-20,097	-21,344	-22,686	-24,091	-25,569	-27,072	-28,527	-30,020	-31,672	-33,450
ANNUAL CASHFLOW															
Opening Balance	2,925	2,990	3,057	3,123	3,192	3,263	3,336	3,412	3,488	3,566	3,647	3,728	3,811	3,898	3,988
Closing Balance	2,990	3,057	3,123	3,192	3,263	3,336	3,412	3,488	3,566	3,647	3,728	3,811	3,898	3,988	4,079



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