



REPORT TO: Regeneration Panel
DATE: 1st October 2003
SUBJECT: Performance Report Wigan & Leigh Housing 2003/2004 1st Quarter
REPORT OF: Director of Environmental Health and Consumer Protection
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PURPOSE/SUMMARY: To Report the performance of Wigan & Leigh Housing in financial year 2003/2004 up to 30th June 2003

ALTERNATIVE OPTIONS CONSIDERED AND REASON FOR SELECTING THE ONE RECOMMENDED:

RECOMMENDATION/DECISION: Panel's views are invited on the performance of Wigan & Leigh Housing

KEY DECISION This report does not involve a key decision.

IMPLICATIONS:

Financial: Housing Services contract valued at £13,653 million per annum.
 Staffing:
 Policy: Housing Strategy
 Equal Opportunities - Has a Diversity Impact Assessment been conducted? Reports will include progress on Equality Standard and CRE code for renting.
 Wards Affected: All
 Special Interest Members – Which have been consulted

For Cabinet reports only :

Categorisation of the report:	x		x
Discussion leading to a decision		Discussion	
Monitoring		Decision	
Sharing for corporate understanding		Information	

Tracking/Process:

	Consultation	Ward Members	Partners
	-	-	-
Panel	Overview & Scrutiny	Cabinet	Council
Regeneration	-	-	-
01.10.2003			

There are no Background Papers to this report within the meaning of Section 100D of the Local Government Act, 1972:

Proper Officer R D Saunders

Date 16 September 2003

BACKGROUND:

In April 2002, the Council set up an Arms Length Management Organisation to manage its stock of Council dwellings. The nature and scale of the contract with the company, Wigan and Leigh Housing (WALH), is significant.

- the 25,268 Council dwellings accommodate many low income and vulnerable households;
- additional "ALMO" capital resources are anticipated to be £137 million over a four year period;
- payment of an annual management fee of £13.653 million; and
- contributes to key housing and corporate objectives.

The Company's performance also impacts on key government assessments of Council's performance, notably:

- the annual "HIP" assessment which determines the Government's Housing Capital Allocation; and
- the Comprehensive Performance Assessment.

On 7th August 2003 Cabinet approved the Delivery Plan for this housing contract which set out performance indicators and targets up to 2007. Reflecting the significance of the contract there are some 96 performance indicators:

- 8 on the Housing Strategy objectives,
- 8 corporate health indicators,
- 7 national housing best value performance indicators, and
- 73 local performance indicators (L1 to L74).

The Housing Strategy Service will monitor these performance indicators and meet WALH monthly to review performance. From this "finer grain" monitoring reports will be produced quarterly for members focusing on the main "health" and "risk" elements.

A searching annual questionnaire has been completed which identified critical risk areas on which the quarterly performance reports will focus. The quarterly reports will acknowledge good work, share areas of concern and improve performance through goal setting (rather than interfering with WALH's management of services).

CAPITAL / INFORMATION – SUMMARY OF PERFORMANCE

A spreadsheet of WALH performance in the first quarter is set out in the appendix, which covers all of the performance indicators agreed in the Delivery Plan. Further information on other performance indicators is available on request from the Housing Strategy Service and is included on the following website.

www.wiganmbc.gov.uk/pub/ehcp/eh/housing/strategies.htm

A detailed report will be made to Cabinet, which will give WALH half-year performance in December.

The main issues to emerge from first quarter's performance were the following:

Critical risk factors

L2 Percentage of letters responded to within 10 working days.82%

Problems have been encountered due to the range and location of offices and personnel. Processes are being amended to ensure this does not continue.

L7 Rent Arrears.3.2%

Last Years Performance	Target	Actual Position at the end of Q1 (30/6/02)
3.0%	2.9%	3.2%

(Arrears figures are expressed as a percentage of the annual debit)

- Rent Arrears have become a major local and national concern in recent years with levels rising significantly. WALH have advised that their current management information system fails to give sufficient information to optimise performance. However various initiatives have been piloted to try to improve performance and early indications are that these are having a stabilising effect on a previously deteriorating position. It should be noted that as arrears figures are cumulative built up over a period of years, this is the most difficult indicator to improve performance within.
- Although this indicator is showing behind target it is traditionally an area where performance builds up during the

financial year. The change in non-collection weeks has highlighted this in the first quarter. Rent arrears have reduced by £250K compared to the first quarter of 2002/03.

Improvement goals

- to introduce new management information system by October 2003;
- to achieve challenging 2003/04 performance targets for % rent arrears (L9) and % of tenants owing over 13 weeks' rent (L13).

L15 Re-let times for empty properties. 57 days

Last Years Performance	Target	Q1
60 days	51 days	57 days

- WALH have introduced a number of initiatives which are reducing overall void levels these include choice based lettings/property shops,
- Significant improvements should be attained when all long term voids which, are being re-let have gone through the system.

L22-L29 Percentage of Jobs completed within target times, Average time taken to complete:

		Actual 2002/03	Target	Q1	Actual 2002/03	Target	Q1
Best/Merit	Within 4 days	98.4%	99%	96.8%	4.9 days	4 days	5.8 days
Emergency	(within 24 hrs)	91.3%	95%	83.4%	3.3 days	1 days	4.8 days
Voids	Within 20 days	75.2%	95%	67.3%	21.6 days	20 days	25.3 days
Other	Within 20 days	84.9%	90%	81.9%	20.7 days	20 days	21.0 days

- WALH are working with their building contractors to secure improvements in performance.
- The current repairs system is reporting poor contractor performance however this is felt to be an inherent fault in the reporting system and not a reflection of actual contractor performance.
- Internal audit will be reviewing this particular section to assess accurate performance.

L40 Homeless.11.7 days

Last Years Performance	Target	Q1
11.2 days	8 days	11.7 days

- WALH have planned changes as part of the organisational review, which should produce improvements to the service. These changes have yet to be implemented this together with the increase in numbers of homeless applicants has led to this target not being achieved.

BV55 Average length of time to price notice for RTB. 97 days

- It took 97 days in first quarter on average for RTB price notice, this has in part been due to the increase in numbers of RTB enquires.

Good Performance HSO1 Proportion of Empty Homes as a percentage of stock.1.8%

- The reduction in empty stock is a reflection of increased demand due in part to the increase in House Prices but also due to the promotion of Council Homes through the Property Shops now operational in Wigan and Leigh centres.

BV12 Sickness Absence Target.1.9 days

Last Years	Target	Q1

Performance		
10.4 days	9 days	1.9 days

- Low reported figures in the first quarter, which follows a similar trend in the previous year.

BV183 The average length of stay in B&B and Hostel accommodation for pregnant women and families with dependent children. 0 weeks

- For both B&B and Hostel accommodation WALH are reporting 0 weeks even though there have been a number of occasions B&B and Hostel accommodation has been used for these Households. This is in part because our Hostel is not defined as such by this indicator and time spent in B&B is kept to a minimum for these households. Homeless presentations have shown increases during the previous year so it is possible WALH may exceed this target.

L16 Percentage of rent lost through local authority dwellings becoming vacant.1.5%

- Turn over of void properties has reduced from last years' figure, which has been beneficial for this indicator.

L52 Tenants Satisfaction with the Overall Repairs Service.96%

Last Years Performance	Target	Q1
93%	94%	96%

- WALH have exceeded the target set for satisfaction with the overall repairs service adding credence to poor system reporting on performance for repairs and maintenance.
- However only 7% of post inspection were carried out in the first quarter due to the change of emphasis from responsive repairs to improvement programme.

Changes to Targets BV184 (b) Percentage change in proportion of non-decent LA homes between 1st April 2002 and 1st April 2003.

- The target has been lowered from 41% to 29.3% to show a more realistic and achievable target this will enable WALH to maximise the funding available. The original target was estimated prior to funding allocation and detailed programmes being formulated.

BV185 Percentage of responsive repairs for which an appointment was made and kept.

- The target has been lowered from 60% in 2002/03 to 55% as a realistic and achievable target for 2003/04 however the target will increase by 5% increments until 2006/07.

L29 Average time taken to complete other repairs.

- The target has been increased from 13 days in 2002/03 to 20 days as a realistic and achievable target for 2003/04 this category of repairs often includes larger and more complex work carried out on a routine basis. WALH target still exceeds targets set by other local authorities and RSL's.
- There are a number targets still to be determined this is in part as they are new indicators and data has not been collected previously new data will be available incrementally throughout the year, targets will then be set appropriately.
- There are eleven performance indicators that have not been reported this quarter these should be reported incrementally as the year progresses with additional system generated reports available.

Overall Performance

There are 96 Performance Indicators, which the Council uses to monitor and evaluate the performance of WALH. Of these 41 are annual targets, the remaining 55 are quarterly and are reported in the table below. In overall terms of the indicators available 43% are on target.

Performance Indicator	No of quarterly Indicators	No of indicators not reported	No of available indicators on Target	% of available indicators on Target
Housing Strategy objectives	1	0	1	100%
Corporate Health objectives	2	0	2	100%
National Best Value indicators	3	1	2	67%

Local performance indicators	49	10	14	32%
Total	55	11	19	43%

(Manual calculation figures not available via Performance Plus)

During 2002/03 WALH's focus has been on the challenging objectives of establishing the company and achieving a "good, two star" rating for its services from the Housing Best Value Inspectorate. On both of these WALH has achieved its objectives and the Council and its tenants will benefit from ALMO resources of up to £137 million over a four year period. These are major successes for which WALH's Boards and staff are to be commended.

WALH will be using this forthcoming year to consolidate its successes and continue to work to put in measures and systems to achieve continuous performance. The introduction of a new IT system may have a short term adverse effect on performance as staff resources will be diverted to training and implementation however WALH is aware of the importance of high quality services and will continue to strive to maintain performance.

CONCLUSION:

There are areas for improvement and the Council applauds WALH's efforts around its innovative approaches to addressing system and operational problems and it's drive to improve across a range of services. The Council also acknowledges that addressing these issues will be no easy task but success will enable WALH to deliver a brighter future and better homes.

[Appendix](#) [PDF:60kb]

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