



**Report to:** Community Protection Panel

**Date:** 16th August 2004

**Subject:** Wigan & Leigh Housing Performance 1st Quarter 2004/05

**Report of:** Director of Community Protection Department

**Contact officer:** Peter Layland 01942 404135 (ext: 4135)

**Purpose/summary:** To report the 1st Quarter performance of Wigan & Leigh Housing

**Alternative options considered and reason for selecting the one recommended:** No Decision

**Recommendation/decision:** Report provided for information.

**Key Decision:** This report does not involve a key decision.

**Implications:**

Financial: Housing Services Contract valued at £14.702m for 2004/05

Staffing: No implication for Council

Policy: Housing Strategy

Equal Opportunities - Has a Diversity Impact Assessment been conducted? Report includes progress on Equality Standard for Local Government and CRE Code of Practice for Rented Housing

Wards affected: All

Special Interest Members – Which have been consulted: None

**Tracking/Process:**

	<b>Consultation</b>	<b>Ward Members</b>	<b>Partners</b>
	Quarterly meeting of Council & WALH 16/8/04	-	-
<b>Panel</b>	<b>Overview &amp; Scrutiny</b>	<b>Cabinet</b>	<b>Council</b>
Comm Prot 16/8/04	-	-	-

There are no Background Papers to this Report within the meaning of Section 100D of the Local Government Act 1972.

**Proper Officer** B. Saunders


**Date** 5.8.04

**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. Within the contractual arrangement with Wigan & Leigh Housing Company (WALH), the company are required to submit performance management information.

Wigan & Leigh Housing manage approximately

- 24,000 Council Homes

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- additional "ALMO" capital resources are anticipated to be £137 million over a four year period;
- payment of an annual management fee of £14.702 million 2004/05; and
- contributes to key housing and corporate objectives.

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

- Councils Housing Strategy and HRA Business Plan; and
- the Comprehensive Performance Assessment.

On 8th July 2004 Cabinet approved the Delivery Plan for this housing contract. The Delivery Plan sets out performance indicators, with targets agreed in most cases up to 2007. The scope of this monitoring reflects the significance of this contract within the Delivery Plan some changes were agreed from the previous years framework and these were outlined within the report on 2003/04 performance to the Regeneration Panel on 12th July 2004 and Cabinet 8th July 2004.

There are now some 90 performance indicators:

- 8 on the Housing Strategy objectives,
- 8 corporate health indicators,
- 11 national housing best value performance indicators, and
- 63 local performance indicators (L1 to L70).

The Housing Strategy Service monitors these performance indicators and meet WALH monthly to review performance. From this "finer grain" monitoring, reports are produced quarterly for Community Protection Panel and half yearly for Cabinet 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 focus. The quarterly reports acknowledge good work, share areas of concern and improve performance through goal setting (rather than interfering with WALH's management of services). The performance indicators and targets are also now included within the corporate performance monitoring system (Performance Plus).

In addition to the above processes the Housing Strategy Service also agrees an annual review programme, which involves an in depth look at various aspects of the service. In 2003/04 this has involved looking at the rent collection service, planned maintenance, the budget process and re-lets process. The forthcoming Audit Commission inspection of Wigan & Leigh Housing in February 2005 will dominate the review work for the current year.

### Summary of Performance.

Wigan & Leigh Housing performed reasonably well in 2003/04, however the reported indicators for the 1st quarter of 2004/05 are somewhat disappointing with some key indicators showing deterioration from last year's performance levels. However WALH assure us that the reported performance has been due to changes to personnel, the ongoing introduction of a new IT system as well as changes to the organisational structure. They hope to improve performance in the short term and to attain the targets negotiated for 2004/05.

The full spreadsheet of WALH indicators and targets is set out in the appendix to this report.

The main issues to emerge from 1st quarter performance were the following:

### Critical risk factors

- **L2 Percentage of letters responded to within 10 working days. 69%**

Problems have been encountered in the past due to the range and location of offices and personnel. WALH are aware of these difficulties and processes are being amended to ensure this indicator improves. However previous performance of 87% in 2003/04 shows that performance has reduced over recent months.

- **L2 (a) Percentage of formal complaints responded to within 10 days 81%.**

Whilst still not meeting targets performance within this area has improved.

- **L7 Rent arrears 2.68%**

Last Years Performance	Target	Actual Position at the end of Q1 (30/6/04)
2.8%	2.7%	2.68%

(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. However locally various initiatives have been piloted to try to improve performance and over the last twelve months these have had a stabilising effect. It should be noted that as arrears figures are a cumulative build up over a period of years, this is the most difficult indicator to improve performance within. Good performance continues to be maintained in this key area.

- **L15 Average re-let times (days) for LA dwellings. 63 days.**

Given the increased demand for property in Wigan, performance in this key area should be improving. However performance has deteriorated from 54 days in 2003/04 to a disappointing 63 days for the 1st quarter of 2004/05.

- **L19-L29 Repairs Performance**

There is evidence that the published data within the area of repairs underestimates actual performance due to deficiencies within the current IT system. This has been confirmed by internal audit and is especially true for Emergency and Best/Merit categories. However, it should be noted that all repair performance times including voids and other repairs have shown some deterioration in comparison with last year. This will need close scrutiny in the future when more accurate figures are available. The new HMIS system when implemented will provide more accurate information.

- **L38-41 Homeless.**

WALH has changed the way it provides this service as part of the organisational review, which should produce improvements to the service in the long term. These changes have been implemented and despite the increase in numbers of homeless applicants performance in Quarters 2 and 3 had improved in 2003/04. However reported performance in the 1st quarter of 2004/05 has demonstrated significant deterioration in performance despite homeless presentations stabilising. A new performance indicator measuring customer satisfaction in this area also produced a disappointing result.

### Good Performance

- **HSO1 Proportion of Empty Homes as a percentage of stock. 1.77%**
- **L16 Percentage of rent lost through local authority dwellings becoming vacant. 1.68%**

Due to a reduction in empty property the amount of rent lost due to vacants has reduced.

Last Years Performance	Target	First quarter
2.2%	1.9%	1.77%

Performance continues to improve in this area partly due to the increased demand for property and reduced stock turnover.

- **BV185 Percentage of responsive repairs during 2004/05 for which an appointment was made and kept. 63%**

WALH have continued to demonstrate improvements in responding to customer demands with a 13% increase in the number of appointments made and kept since 2002/03.

### Customer Satisfaction

Customer satisfaction rating with repairs continues to show a strong performance. Especially impressive has been the high satisfaction levels with the programmed works. Satisfaction is also good with users of the Property Shops and Furnished Tenancy service.

### Equality & Diversity

Progress in this area, with particular reference to CRE Code of Practice in Rented Housing is very encouraging. Internal Audit, have carried out an assessment of CRE Code of Practice in Rented Housing and are supportive of WALH confirmation

of compliance. However there has been no formal assessment of Equality Standards for Local Government undertaken. WALH have achieved many changes and improvements in this specific area and need to maintain commitment to achieve the continuous improvement.

### Overall Performance

There are 90 Performance Indicators, which the Council uses to monitor and evaluate the performance of WALH. Of these there are a number of annual and quarterly targets, with the quarterly performance reported in the table below. In overall terms of the indicators available 63% are currently on target. However this percentage excludes some key performance data which is either not currently available or is only measured annually. The year-end position may therefore vary considerably.

Performance Indicator	No of quarterly Indicators	No of indicators reported	No of available indicators on Target	% of available indicators on Target
Housing Strategy objectives	8	3	3	100%
Corporate Health objectives	8	2	0	0%
National Best Value indicators	11	4	3	75%
Local performance indicators	63	26	16	62%
<b>Total</b>	<b>90</b>	<b>35</b>	<b>22</b>	<b>63%</b>

In 2003/04 WALH consolidated its successes from 2002/03 and continued to work to put in measures and systems to achieve continuous performance improvement. The on-going introduction of a new IT system may account for some of the deterioration in some key performance areas as staff resources have been diverted to training and implementation. However WALH is aware of the importance of high quality services and is continuing to strive to improve and more importantly maintain performance in the coming year.

### Conclusion:

WALH performance in 2003/04 was good, however certain key performance indicators have shown deterioration in Quarter 1 of 2004/05. A high priority by WALH needs to be given to reverse these trends in the coming months this being especially important given the Housing inspection due in February 2005.

On a positive note there has been a continued improvement in customer satisfaction indicating WALH are delivering quality services, which meet the needs and aspirations of clients.

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### Appendices

1. [Indicators](#)  (132kb)
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