



Committee Report: Performance Report Wigan & Leigh Housing 2004/05 Third Quarter

Report to:	Community Protection Panel
Date:	14 March 2005
Subject:	Performance Report Wigan & Leigh Housing 2004/05 Third Quarter
Report of:	Director of Community Protection
Contact officer:	Peter Layland 01942 404135 (ext:4135)
Purpose/summary:	To report the third quarter performance of Wigan & Leigh Housing. (2004/05)
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, but this report has no further additional financial implications for the Council.
Staffing:	No implication for the 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:

	Consultation	Ward Members	Partners
-	Quarterly meeting of Council and WALH 7.2.05	-	-
Panel	Overview & Scrutiny	Cabinet	Council
Comm Prot 14.3.05	-	-	-

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

Proper Officer	Bob Saunders
Date	28 February 2005

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 is required to submit performance management information.

Wigan & Leigh Housing manage approximately

- 24,000 Council Homes
- 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 and 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 meets 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. 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 involved looking at the rent collection service, planned maintenance, anti-social behaviour and the re-lets process. The forthcoming Audit Commission inspection of Wigan & Leigh Housing in February 2005 has dominated the review work for the current year.

Summary of Performance.

Wigan & Leigh Housing (WALH) performed reasonably well in 2003/04, however the reported indicators for the 1st quarter of 2004/05 were somewhat disappointing with some key indicators showing deterioration from last year's performance levels. This was partly due to the introduction of the new IT system and partly due to major organisational changes in WALH.

Performance in quarter 2 was generally better and this has been continued within quarter 3 with significant improvement occurring in most indicators. Especially notable has been the reduction in the number of empty homes and in the improvement of relet times. This has been combined with improvements in responsive repairs and homelessness. The key concern's are the continued poor performance within rent arrears and the non-reporting of certain indicators often due to the limitations of the IT system. There has also been some apparent deterioration within the complaints position although this was due to a major change in the way they are handled. The full spreadsheet of WALH indicators and targets is set out in the Appendix to this report.

The main issues to emerge from 3rd quarter performance are the following:

Critical risk factors

- **L2 (a) Percentage of formal complaints responded to within 10 days 68.20%.** Performance in this area has shown a significant deterioration compared with last year. However WALH have changed their complaints procedure and all complaints are now regarded as being formal. Performance has improved in terms of the number of complaints reaching second stage (0%

in quarter 3).

- **BV 66a Proportion of rent collected 95.32%** Rent Arrears have become a major local and national concern in recent years. During 2003/04 WALH performance deteriorated significantly both in absolute terms and relative to other Councils. In the current year, arrears levels have increased and thus performance is still not satisfactory. WALH hope to reverse this trend by the year-end.
- **L19-L29 Repairs Performance** Repairs performance has been consistently below the target levels. This is partly due to an underestimation of actual performance and to deficiencies within the IT system. However, during 2004/05 performance within these areas has increased. This is largely due to service improvements, although in certain areas IT improvements have contributed to the position.
- **L38-41 Homeless.** Due to the changing local housing market there have been major increases in both the number and the complexity of cases within homelessness. In response to this WALH has changed the way it provides this service as part of the organisational review. However during the first quarter performance deteriorated, as new systems bedded down. During the second and now the third quarter performance has improved. Especially encouraging is the rise in the cases meeting the Quality Standard indicating an improvement in the quality of WALH response. However the time taken to make decisions remains a worry. This area will continue to be monitored closely, as it is a key area for the Borough's overall Housing Strategy.

Non-reporting of indicators.

There has been a reduction in the number of indicators not reported by WALH. However a small number remain and this will be hopefully eliminated once the new IT systems are fully implemented.

Good/ Improving Performance

- **HSO1 Proportion of Empty Homes as a percentage of stock.1.15%** There has been a major improvement in the levels of vacant housing in recent months and this has continued. This is partly because of improved efficiency and partly due to the increase in the demand for property.
- **HSO3 Proportion of Non Decent Homes. 25%** The investment programme is operating well with both spending and satisfaction levels remaining high. This is reflected in the significant reduction in the proportion of non-decent homes from 31% of the stock at the start of the year to 25% at the third quarter.
- **L15 Average re-let times (days) for LA dwellings. 34 days.** Performance has significantly improved during 2004/05. This is a key indicator and the quicker turn round of properties will increase revenue, contribute to the well being of estates and maximise the use of the stock. The equivalent time in 2003/04 was 54 days.
- **L1 Percentage of telephone calls answered within 10 rings.97.99%** Performance in this area has remained consistently good
- **Customer Satisfaction** Customer satisfaction rating with most aspects of the service continues to show a strong performance. Especially impressive has been the high satisfaction levels with the programmed works and repairs. 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.

A joint assessment has been carried out on Equality Standards in Local Government by WALH and Community Protection Department, the assessment demonstrated that Level 2 was being achieved. Whilst progress has been good the target for compliance with Level 3 has been delayed until September 2005.

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 62% 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 Indicators (quarterly /	No of indicators reported	No of available indicators on	% of available indicators on
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	Annually)	(quarterly)	Target	Target
Housing Strategy objectives	8	2	2	100%
Corporate Health objectives	8	2	0	0%
National Best Value indicators	11	5	4	80%
Local performance indicators	63	34	21	62%
Total	90	43	27	63%

Conclusion:

WALH performance in recent years has demonstrated improvement in most service areas. After a slow start to the current year this seems to be continuing. Whilst not all targets are being met, on the whole performance is improving on a year on year basis and progress is being made within the key areas of re-lets and repairs. The key concern remains the deteriorating rent arrears position and coping with the increases in homelessness.

Proposals to update this performance framework are being discussed with WALH to hopefully be implemented next year

Appendices

1. **Indicator/Actual targets**  (43kb)

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