



This is an Open Report

Report to: Community Protection Panel
Cabinet

Date: 19 January 2009
22 January 2009

Subject: Wigan & Leigh Housing Half Yearly Performance
2008/09

Report of: Director of Environmental Services

Contact officer: Peter Layland 01942 828983

Purpose / summary: To report the performance of Wigan & Leigh Housing during the first half of 2008/09

Alternative options considered and reason for selecting the one recommended: None

Recommendation / decision: The performance of Wigan & Leigh Housing for the first half of 2008/09 is noted

The decision will be made as a result of this report and will be published within 48 hours

Risks / Implications:

Financial:	Wigan & Leigh Housing Company has a management fee of £15.3m for 2008/09
Staffing:	No implications for the Council
Policy:	Housing Strategy
Equal Opportunities - Has a Diversity Impact Assessment been conducted?	
Wards affected:	All

Property Implications – Does the proposal involve a reduction, addition or change to the Council’s asset base or its occupation?

No

If yes, have the property implications been agreed with the Corporate Property Officer?

Does this proposal have significant implications for the Council and the local population?

No

Does this proposal involve a new policy or procedure or significant changes to an existing policy or procedure?

No

Has the Service Director - Borough Solicitor confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? **Yes**

Has the Service Director - Corporate Services confirmed that any expenditure referred to within this report is consistent with the Council's budget? **Yes**

Are any of the recommendations within this report contrary to the Policy Framework of the Council? **No ***

* delete which applicable

For Cabinet reports only :

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

	x
Discussion	
Decision	
Information	

Tracking/Process:

	Consultation	Ward Members	Partners
Panel	Overview & Scrutiny	Cabinet	Council
19/1/09		22/1/09	

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

Proper Officer _____

Date _____

1. Background

- 1.1 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 Wigan and Leigh Housing is significant. Within the contractual arrangement with Wigan and Leigh Housing (WALH) the company is required to submit performance management information.
- 1.2 Wigan and Leigh Housing manage approximately:
- 22,842 Council houses
 - additional ALMO capital resources of £137m
 - payment of an annual management fee of over £15m
 - contributes to key housing and corporate objectives
- 1.3 The company's performance also impacts on key government assessment of the Council's performance notably:
- Council's Housing Strategy and
 - Comprehensive Area Assessment
- 1.4 The performance management framework that helps govern the relationship between Wigan and Leigh Housing and the Council was reviewed in 2005 and its main elements are :-
- System of monthly and quarterly meetings
 - Monitoring of key performance indicators
 - Annual meeting
 - Annual Questionnaire
- 1.5 This half year report provides information on key performance targets (Appendix 1) and also on WALH progress on the years agreed priorities within the Annual Business and Delivery Plan (Appendix 2). A revised performance management system is now in place that reflects aims and objectives of the new contract with WALH, effective from April 2007.

2. Summary of Performance

- 2.1 Wigan & Leigh Housing (WALH) demonstrated improvement in most service areas during 2007/08. Performance during the first half of 2008/09 shows continued performance with 63% of the indicators that are reported on a quarterly basis on or exceeding target. And importantly 17 of the 19 indicators measured are improving. Many of the indicators are only available annually and therefore a complete picture is not available until year end. A summary of performance is attached at Appendix 1
- 2.2 In relation to performance against priorities within the Annual Business and Delivery Plan, progress again is satisfactory with all tasks are on target. A report outlining progress against the priorities in the business plan is attached at Appendix 2

3. Critical Risk Factors

3.1 Homeless Prevention

The area of most concern is the homelessness prevention indicator (BV213). Top quartile performance is 4 households per 1000, half yearly performance of 0.76 represents bottom quartile. The half yearly target was 1.75. In real terms 106 cases of homelessness have been prevented in the first half of the year. WALH have made this indicator an “at risk” indicator which will ensure considerable focus is given to this area of work. They have carried out a restructuring of the housing options advice teams and predict improved performance over the remaining 6 months of the year. BV213 is a particularly important indicator locally due to the high levels of homelessness in the Borough.

4 Economic Downturn

- 4.1 It is difficult to predict what the effect of the current economic downturn will be. An increase in unemployment could result in an increase in repossessions as well as a possible increase in rent arrears. WALH recognise the risks and are monitoring the situation carefully

5 Good Performance

5.1 Average time to re-let Local Authority Housing

Performance has continued to improve significantly over the last 3 years. Further improvements can be made and WALH have given this indicator “at risk” status which means there is close monitoring of the work and action plan to ensure continuous improvement. The half yearly target was 33 days and performance exceeds the target at 27.12 days. This is based on 1164 properties changing tenants in the first half of the year.

5.2 Proportion of Empty Homes as a percentage of the stock

Performance is currently ahead of the year end target and is one that has improved considerably over the last 3 years. It is an important indicator given the current high demand for property. The performance of 1.02% represents 232 vacant properties out of a stock of 22,842. Given this good performance any further gains will be small in size.

5.3 Proportion of rent collected including arrears carried forward

This is an important indicator as it maximises the income available and reduces the need for future bad debt provision. The full extent of performance is not usually known until the year end when the 4 non-collecting weeks (2 at Christmas and 2 at year end) have a positive effect on the final figure. However the half yearly position shows that performance 96.52% has exceeded the half yearly target of 96.27%. Performance also exceeds the same position last year 96.33%. The year end target is 98% and WALH are confident of achieving this. However as alluded to earlier in this report, the current economic downturn may have an impact on performance in the second half of the year, WALH will continue to monitor the situation closely.

5.4 Repairs Performance

The completion of urgent repairs within government time limits continues to improve. In quarter 2 alone 99.29% of urgent repair jobs were completed within target. This represents a failure of 39 jobs out of a total of 5516. The half yearly position shows that 98.98 % of jobs were completed on target, the target is 96%. The average time taken to complete non-urgent jobs is 8.01 days the target is 8 days. The proportion of gas safety certificates outstanding is ahead of target and of the 637 properties that have a certificate that has expired 90 have been referred to the Borough Solicitor to obtain access through the legal process. The importance of this process and a proactive WALH stance has been reinforced by the recent gas explosion.

6 Conclusions









- 6.1 General performance by WALH continues to improve in most of the key areas. In some areas, rent collection, repairs performance and empty properties performance is outstanding. However, the report has identified areas of concern such as homelessness and WALH have put plans in place to attempt to address this. The economic downturn has the potential to further exacerbate problems in this area and may also impact on other areas such as rent collection. WALH are mindful of this and are monitoring the impact closely.

7 Recommendations

- 7.1 The half yearly performance (2008/09) of Wigan & Leigh Housing be noted.

Performance Framework

Ref	Indicator	2007/08 Performance	Half Year Target	Half Year Performance	Improving?
BV12	The number of working days/Shifts lost due to sickness absence	9.68 Days	4.5 Days	4.56 Days ☹	Yes, but still below target
BV212	Average time to Re-let Local Authority Housing (old L15)	33 Days	33 Days	26.53 Days ☺	Yes
BV66a	Proportion of Rent Collected including Arrears C/fwd	97.75%	96.27%	96.52% ☺	Yes
BV66b	Number of LA tenants with more than 7 weeks of (gross) rent arrears as a % of LA tenants	4.41%	4.25%	4.39% ☹	Yes
BV66c	% of LA tenants in arrears who have had Notices Seeking Possession served	50.87%	23%	17.45%	N/A
BV66d	% of LA tenants evicted as a result of rent arrears	0.33%	0.145%	0.06% ☺	Yes
HS01	Proportion of Empty Homes as a percentage of the Stock	1.08%	1.26%	1.02% ☺	Yes
L9a	Proportion of former tenant arrears collected	12.88%	7.00%	7.27% ☺	Yes
BV183i	The average length of stay in B&B	1 week	1 week	0.32 weeks ☺	Yes
BV213	Households considering themselves homeless who approach for housing advice and housing advice casework intervention resolves their situation, per 1000	1.95	1.75	0.43 ☹	No

	households in the authority				
BV214	Proportion of households accepted as homeless who were accepted as homeless within last two years	2.38%	2.75%	1.65% 	No
NI 156	Number of households living in temporary accommodation.	NEW	50	58 	Yes but below target
BV 184a	The proportion of LA Homes which were non decent at 1 st April 2007 to be reported quarterly as a snapshot at quarter end	12%	10%	6% 	Yes
NI 158	% of non decent stock	NEW		6%	Yes
L19	% age of urgent repairs completed within Government time limits	97.75%	96%	98.98% 	Yes
L20	Average time to complete non-urgent repairs	8.93 Days	8 Days	8.01% 	Yes
L52 (e)	% customer satisfaction with overall repairs service	98.18%	90%	98.73% 	Yes
L52 (f)	% customer satisfaction following undertaking of programmed works	95.29%	90%	96% 	Yes
	% of repairs which are emergency / urgent repairs	21.63%	15%	18.31% 	Yes but still below target
	Proportion of gas servicing certificates outstanding	2.17%	6.00%	3.27%	Yes