

---

**AGENDA ITEM: 7** Page nos. 13 - 21
 

---

Meeting	Budget and Performance Overview and Scrutiny Committee Meeting
Date	5 April 2011
<b>Subject</b>	<b>Barnet Homes – Quarter 3 Performance Report</b>
Report of Summary	Acting Assistant Director Housing The Council has agreed a set of performance targets with Barnet Homes as part of the Arms Length Management Organisation's (ALMO) annual business plan. This report provides information on performance against these targets for Quarter 3 2010-2011 and actions being taken by Barnet Homes to improve performance where it is below target.

---

Officer Contributors	Andrew Milne – Acting Assistant Director (Housing) Paul Shipway – Strategy and Performance Manager
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix 1 – Barnet Homes 'PULSE' Performance Indicator Report December 2010
For decision by	

---

Contact for further information: Paul Shipway – Strategy and Performance Manager 0208 359 4924, paul.shipway@barnet.gov.uk

## **1. RECOMMENDATIONS**

- 1.1 That the Budget and Performance Overview and Scrutiny Committee notes and comments on the performance of Barnet Homes against targets for performance indicators in its annual business plan for 2010/2011 agreed with the Council.

## **2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 2.1 Barnet Homes contributes to the delivery of the Council's corporate plan objective, Successful London Suburb by delivering the Decent Homes programme to improve the condition of council properties and through its overall management of council homes and estates.
- 2.2 By involving tenants and leaseholders in the management of their homes and wider neighbourhoods, Barnet Homes contributes to the Corporate Plan objective Sharing Opportunities and Sharing Responsibilities.

## **3. RELEVANT PREVIOUS DECISIONS**

- 3.1 Cabinet approved the establishment of Barnet Homes on 19 January 2004 (Decision Item 8)
- 3.2 The annual Barnet Homes Business Plan for 2010 /2011, which includes the relevant performance targets, was approved by the Lead Cabinet Member for Housing (Cllr Cornelius), The Assistant Director of Housing and Environmental Health (Pam Wharfe and the Chief Executive Officer of Barnet Homes (Tracy Lees) on 25 January 2010.

## **4. RISK MANAGEMENT ISSUES**

- 4.1 There is a risk that tenant and leaseholder satisfaction will not improve if Barnet Homes does not meet performance targets.
- 4.2 There is a risk that if the performance of Barnet Homes is not satisfactory, this could impact on any external assessments that the Council may be subject to.
- 4.3 There is a risk of rent arrears levels rising due to post-implementation problems, experienced with the Council's new Housing Benefit IT system, not being resolved sufficiently quickly.
- 4.4 There is a risk that if the performance of Barnet Homes in maintaining and improving letting times for void properties is not satisfactory, revenue to the Council will fall.

## **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 Analysis shows that council tenants living in homes managed by Barnet Homes are very diverse and often from vulnerable groups. Face to face residents surveys undertaken by Barnet Homes show that 36% of tenants are aged over 60, of which 12% are aged over 80. 35% of tenants consider themselves as having a longstanding illness, impairment or infirmity that limits their activities. 25% of tenants are from black and minority ethnic (BME) backgrounds with 13% black and 8% Asian. It is important that Barnet Homes provides its services in a way that takes account of the diversity of council tenants – an example of this is the improved performance on adaptations for people with physical impairments following a review of the aids and adaptations service.

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

- 6.1 Performance on income collection, including rents and leaseholder service charges, by Barnet Homes impacts on the Housing Revenue Account (HRA).
- 6.2 Barnet Homes is responsible for the procurement of contracts for repairs and major capital works, and securing value for money from these.
- 6.3 Barnet Homes works closely with the Council to manage the HRA including management of the annual subsidy claim.
- 6.4 The Council's Finance Manager meets regularly with the Head of Financial Services from Barnet Homes to review performance on these key financial matters.

## **7. LEGAL ISSUES**

- 7.1 None save those contained within the body of the report

## **8. CONSTITUTIONAL POWERS**

- 8.1 The roles and terms of reference of all scrutiny committees are contained within Part 2, Article 6 of the Constitution; and in the Overview and Scrutiny Procedure Rules (Part 4 of the Constitution). This Scrutiny Committee, amongst other duties, will be responsible for scrutinising the overall performance, effectiveness and value for money of Council services, including the planning, implementation and outcomes of all corporate improvement strategies.

## **9. BACKGROUND INFORMATION**

- 9.1 Barnet Homes was set up by the Council in April 2004 as an arms length management organisation (ALMO) to provide day to day management and maintenance services for Barnet council tenants and leaseholders. In

addition, the ALMO is responsible for delivery of the Decent Homes capital investment programme to improve council properties.

9.2 Performance indicators for 2010/11 have been agreed with the Council and are based around standards developed by the Tenant Services Authority (TSA), which include:

- **Tenant involvement and empowerment** – which contains requirements relating to customer service, choice and complaints; involvement and empowerment; and understanding and responding to diverse needs of tenants
- **Home** – which contains requirements relating to quality of accommodation; and repairs and maintenance
- **Tenancy** – which contains requirements relating to allocations; rent; and tenure
- **Neighbourhood and community** – which contains requirements relating to neighbourhood management; local area co-operation; and anti-social behaviour
- **Value for money**

9.3 The Acting Assistant Director (Housing) meets with the Chief Executive of Barnet Homes on a monthly basis to review its performance.

9.4 Appendix 1 shows performance to December 2010 against the performance targets agreed with the council for 2010/11. The indicators monitored and the targets set take into account:

- Council priorities
- Business priorities
- Customer priorities
- Benchmarking with other housing providers
- Continuous improvement
- Industry standards
- Contract requirements

December 2010 performance has previously been reported to the Barnet Homes Board and to members of its resident scrutiny group – the Performance Advisory Group (PAG).

9.5 **Overall performance.** The table below shows performance up to December 2010, compared with performance at the same point in 2009 and 2008.

	Dec 2008	Dec 2009	Dec 2010	Path of direction
Average Call Waiting Time (seconds)	33.6	31.6	30.2	✓
Calls Presented (year to date)	100,716	80,919	77,913	✓
Stage 1 Complaints Received (year to date)	1247	701	676	✓
MP/Councillor Enquiries (year to date)	544	570	376	✓

Waiting time for Major Adaptations (weeks)	36	11	14	✓
% Assist responses in 30 secs (year to date)	91%	92%	92%	✓
% Properties with current CP12	99.4%	99.7%	99.9%	✓
% Urgent Repairs completed in Time	97.8%	97.9%	93.8%	✗
Average Days to Relet Empty Properties	27 days	38 days	58 days	✗
New Tenant Satisfaction with property condition	84%	88%	90%	✓
Current Rent Arrears	£1.363m	£1.265m	£1.243m	✓
Rent Arrears as % Debit	2.7%	2.48%	2.11%	✓
% Annual Service Charge Collected	76%	72%	76%	-
Value of Major Works Income Collected	£2.575m	£3.124m	£3.356m	✓
Estates Achieving 2 star or better	96%	97%	96%	-
Average Days Lost to Sickness	6.8 days	4.5 days	4.5 days	✓

9.6 The table below shows the most recent available audited benchmarking information comparing Barnet Homes' performance with London boroughs and ALMOs.

	Barnet Homes 2009/10	London Top Quartile 2009/10	London Average 2009/10
Average Call Waiting Time	32 secs	21 secs	39 secs
Properties with current CP12	100%	100%	98.9%
Urgent Repairs in Time	98.1%	98.4%	96.5%
Days to complete non-urgent repairs	6.3 days	6.4 days	9.6 days
% Repairs appointments made and kept	98.7%	98.5%	96.1%
Average Days to Relet Empty Properties	52 days	24 days	31 days
Current Rent Arrears as % Debit	2.2%	2.4%	3.2%
Annual Service Charge Collected (current + arrears)	104%	112%	107%
Major Works Income Collected (current + arrears)	113%	133%	113%
Average Days Lost to Sickness	7 days	8.3 days	10.1 days

9.7 Barnet Homes' customer satisfaction survey in 2010 reported that 73% of tenants were satisfied with overall landlord services which compares very favourably with the London top quartile of 71% and average of 69%.

9.8 Leaseholders are generally less satisfied across all landlords. Their satisfaction in 2010 in Barnet was 40%, compared to a London top quartile of 48% and average of 42%.

9.9 Residents are actively involved in monitoring performance through the PAG, which scrutinised the December performance report at its last meeting in February.

The most recent meeting of Barnet Homes regular, open residents forum in February focused on the role of scrutiny, with discussions led by members of the PAG. Residents felt that in addition to performance reports, more spot checks and follow-up surveys were needed to give assurance that standards were being met. How to include this in ongoing reports is currently being considered by the PAG together with Barnet Homes' managers.

9.10 The following extracts key performance information and issues under each of the headings set out at 9.2

### 9.11 Tenancy Involvement and Empowerment

TSA Standard:	<b>Tenant Involvement and Empowerment</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• % Calls captured (call centre)</li> <li>• Average waiting time (call-centre)</li> <li>• Stage 1 Complaints Responded in 10 Working Days</li> <li>• Average Waiting Time for Major Adaptations</li> <li>• Response time on calls to Assist (formerly Lifeline)</li> </ul>

Performance is on target for both call-centre and Assist indicators

Performance on major adaptations has improved markedly and waiting times are now significantly below end of year target.

### 9.12 Home

TSA Standard:	<b>Home - Repairs and Maintenance &amp; Quality of Accommodation</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• CP12 coverage</li> <li>• Repair Appointments</li> <li>• Repairs Completed in Time</li> <li>• Right First Time</li> <li>• Fire Safety Actions Completed</li> <li>• % Non-Decent Homes</li> <li>• Satisfaction with Decent Homes</li> </ul>

The proportion of homes with a current gas safety certificate is good at 99.9% with only nine cases outstanding.

Repairs performance has been affected by the completion dates of jobs recorded on the IT system of the Barnet Homes contractor, Lovell, not

interfacing into the Barnet Homes IT system in a timely manner. This follows Lovell taking over the Barnet Homes repairs contract last summer after its former contractor, Connaught, went into administration. The issues are causing under-reporting of performance where jobs are complete but reported as outstanding. IT interface work has been fast-tracked to resolve this.

Twenty staff from Lovell have moved into the Barnet Homes offices at Barnet House since the new year as part of co-location work to improve lines of communication and enable more collaborative working.

Barnet Homes monitors the proportion of potential fire safety items identified and cleared within a month. Of the 399 identified in the year to date only 3 were cleared outside of target time.

Decent Homes work is on target to complete on schedule and to budget by the end of March 2011.

### 9.13 Tenancy

TSA Standard:	<b>Tenancy</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• Average Relet Times</li> <li>• New Tenant Satisfaction</li> <li>• Number of Outstanding Voids</li> </ul>

Performance figures for relet times have been seriously affected by efforts since 2009-10 to bring long-term empty properties back into use (the relet period is measured from the time when properties were last occupied). This forms part of close work with the Council on the delivery of a Void Improvement Plan.

The number of outstanding voids has fallen markedly in this financial year compared to figures for 2009-10. Bringing more council homes back into use is helping to maximise the Council's rental income and to ease pressures on social housing.

Non-regeneration lettings have been turned around in under four weeks year to date and are on target. However, the overall performance remains affected by the average turnaround time for regeneration lettings. In December these have been particularly affected by long-term Stonegrove voids being let.

Looking ahead to future performance, the turnaround time for all properties that became void and were relet within quarter 3 is good with an average of 20 days.

Quarter 3 performance on tenant satisfaction with the condition of new properties was very good, bringing the year to date performance up to target.

#### 9.14 Tenancy – leaseholders

TSA Standard:	<b>Barnet Homes’ own commitment to apply TSA standards to leaseholders</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• % Annual Service Charge Collected</li> <li>• Major Works Income Collected</li> </ul>

Annual service charge collection is on target.

Major Works Billing – Barnet Homes has currently billed everything due to date (£1.45m). Another £2.75m is due to be billed by the end of the year and a close watch will be maintained to ensure target is met. The extension of repayment periods for leaseholders, agreed by the Council in 2009, along with incentives for early payment, are combining to assist performance here.

#### 9.15 Tenancy - Rents

TSA Standard:	<b>Rent</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• Current rent arrears</li> <li>• Arrears as % debit</li> </ul>

These important indicators are all on target.

Barnet Homes is seen as a national example of best practice in this area, evidenced by extensive coverage of our rental income strategies in the national housing press and the popularity of seminars held for other RSLs in 2010. The Council’s change of Housing Benefit IT system will temporarily impact on arrears levels and Barnet Homes is actively managing this through close working with the Council’s project team.

#### 9.16 Neighbourhood and community

TSA Standard:	<b>Neighbourhood and Community</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• Estates achieving 2 stars at reality checks</li> <li>• Estates achieving 2 stars at reality checks (Regen)</li> <li>• Contact with serious ASB clients in 1 day</li> </ul>



Reality checks are unannounced site visits to estates undertaken by senior managers to gauge standards of caretaking and maintenance. Performance for both non-regeneration and regeneration estates is above target.

In the year to date, Barnet Homes has responded to every serious antisocial behaviour case within one day.

#### 9.17 Value for money

TSA Standard:	<b>Value for Money</b>
Which Pulse indicators are monitoring this?	<ul style="list-style-type: none"> <li>• Average days lost to sickness</li> </ul>

Sickness levels are on target and remain significantly lower than the national public sector average, and much lower than the average for ALMOs and local authorities in London.

### 10. LIST OF BACKGROUND PAPERS

10.1 None.

**Legal: SAL**

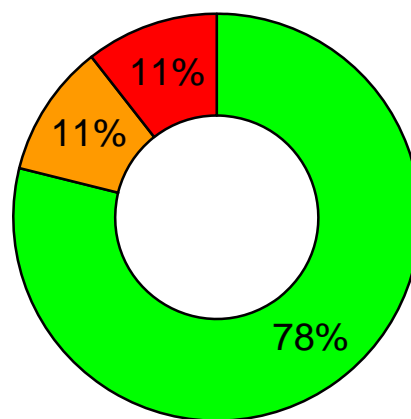
**Finance: MC/JH**



# Barnet Homes PULSE Report

Traffic Light Position

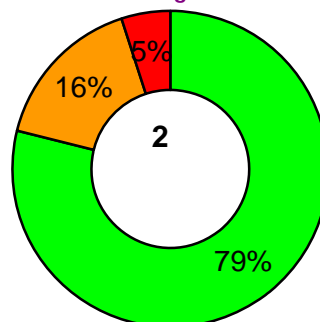
19 = Number of Indicators



December 2010

Traffic Light Position

19 = Number of Indicators



November 2010

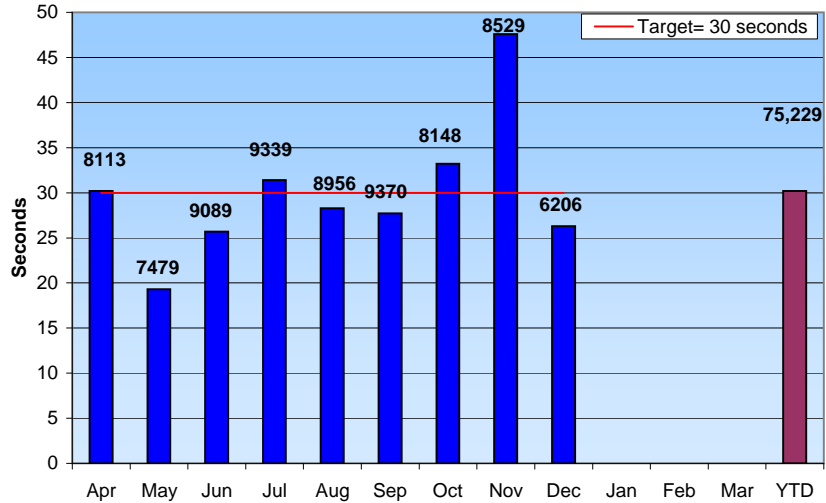
## 1) Tenancy Involvement & Empowerment

- customer service, choice & complaints; involvement & empowerment; understanding/responding to the diverse needs of tenants

### Average Wait Time ↑ ●

Average time a caller has to wait to speak to an operator after message

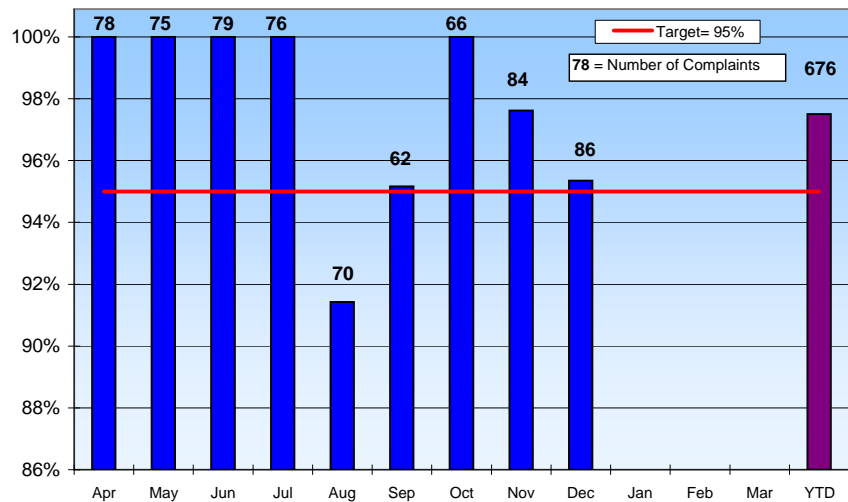
End of Year Target (Low is good)	30 secs
Dec 10 Performance	26 secs
Dec 09 Performance	32 secs
<b>YTD Performance</b>	<b>30 secs</b>



### Complaints ↓ ●

The percentage of stage 1 complaints replied in 10 working days

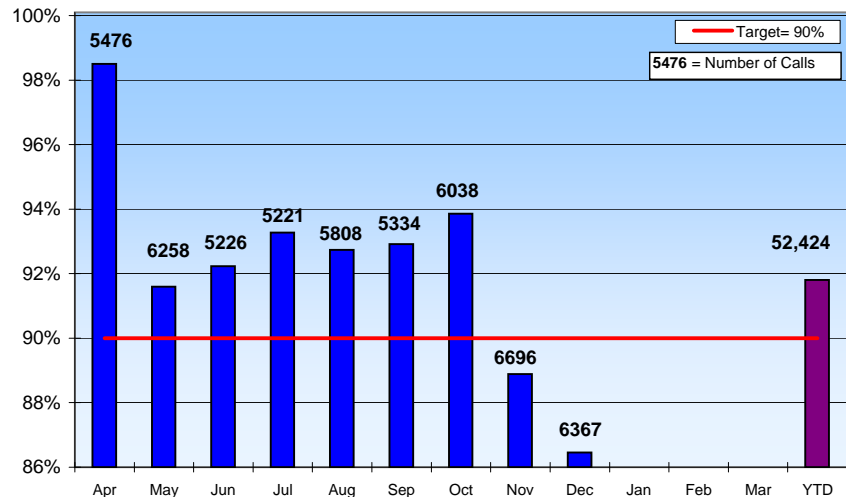
End of Year Target (High is good)	95%
Dec 10 Performance	95%
Dec 09 Performance	100%
<b>YTD Performance</b>	<b>98%</b>



### Assist ↓ ●

The percentage of calls responded to in 30 seconds

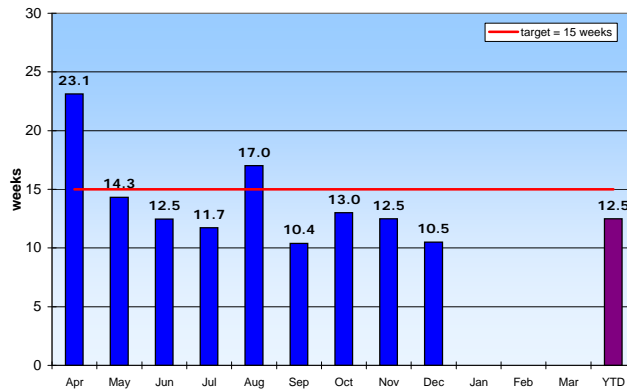
End of Year Target (High is good)	90%
Dec 10 Performance	86%
Dec 09 Performance	89%
<b>YTD Performance</b>	<b>91.8%</b>



## Adaptations ↑ ●

The average wait time from referral to start on site for major adaptations

End of Year Target (Low is good)	15 weeks
Dec 10 Performance	11 weeks
Dec 09 Performance	13 weeks
<b>YTD Performance</b>	<b>13 weeks</b>



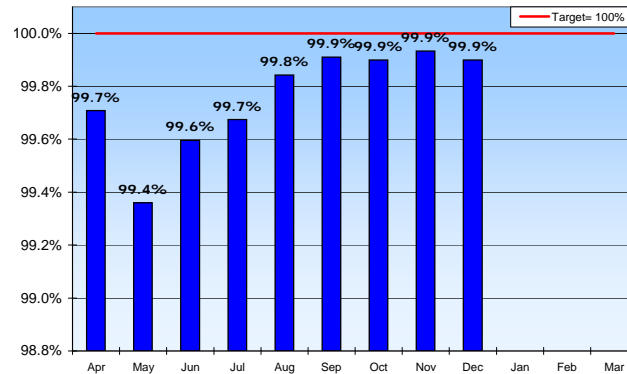
## 2) Home

- quality of accomodation; repairs & maintenance

### Gas Safety Checks ↔ ●

The percentage of homes with a CP12 safety certificate

End of Year Target (High is good)	100%
Dec 10 Performance	99.9%
Dec 09 Performance	99.7%
<b>Top Quartile (BPSA) = 99.6%</b>	

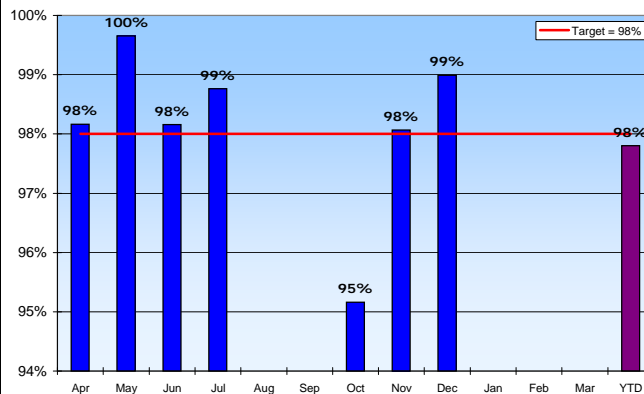


### Appointments ↑ ●

The percentage of appointments which were made and then kept

End of Year Target (High is good)	98.0%
Dec 10 Performance	99.0%
Dec 09 Performance	99.1%
<b>YTD Performance</b>	<b>97.8%</b>
<b>Top Quartile (HouseMark) = 96.9%</b>	

Note: No Data in Aug/Sep due to Connaught Administration  
Lovell performance starts Oct

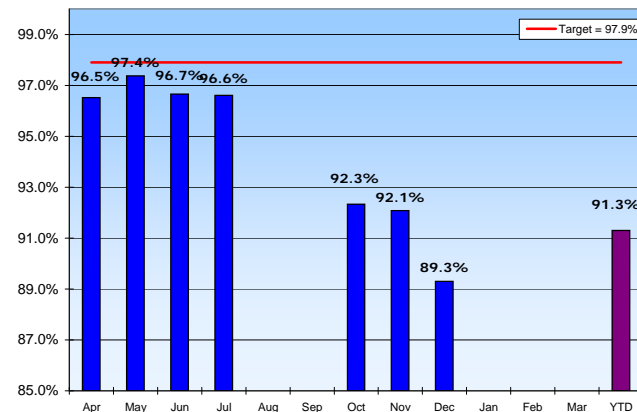


### Urgent Repairs ↓ ●

The percentage of urgent repairs completed within government time limits

End of Year Target (High is good)	97.9%
Dec 10 Performance	89.3%
Dec 09 Performance	99.6%
<b>YTD Performance</b>	<b>91.3%</b>
<b>Top Quartile (BPSA) = 98.0%</b>	

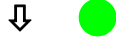
Note: No Data in Aug/Sep due to Connaught Administration  
Lovell performance starts Oct



# Barnet Homes Pulse Report



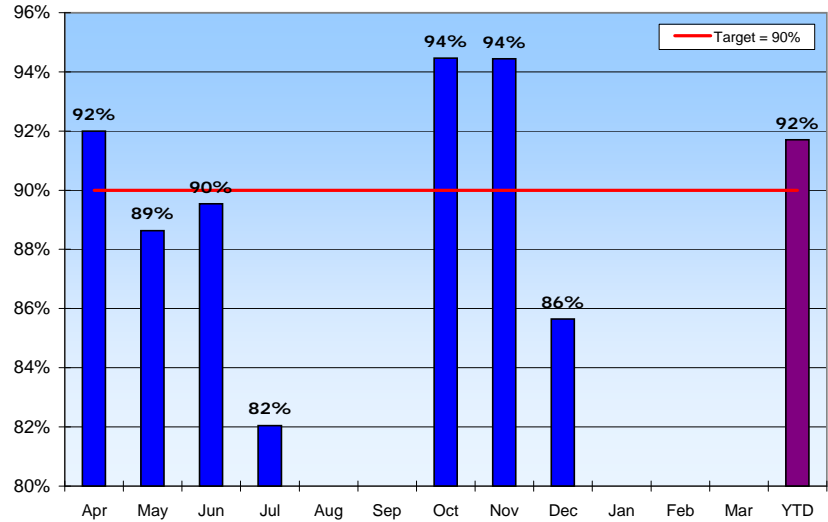
## Right First Time



The percentage of repairs which are completed right first time

End of Year Target (High is good)	90%
Dec 10 Performance	85.6%
Dec 09 Performance	98.9%
<b>YTD Performance</b>	<b>91.7%</b>

Note: No Data in Aug/Sep due to Connaught Administration  
Lovell performance starts Oct

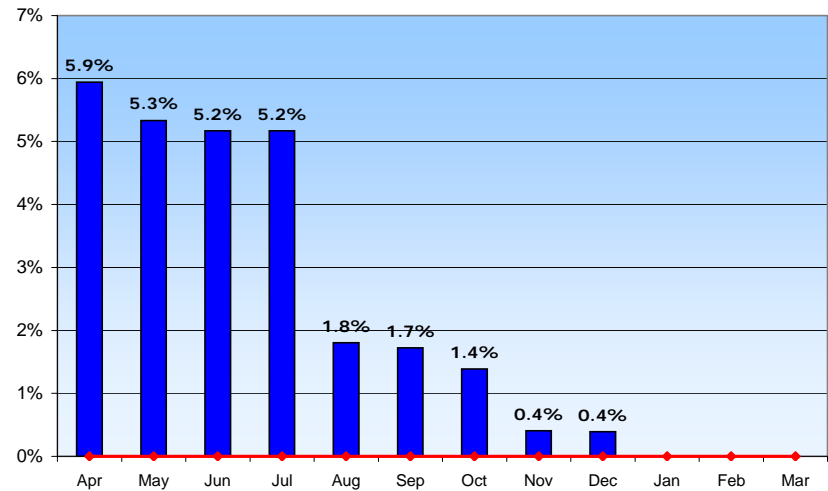


## Decent Homes



The percentage of non-decent homes excluding regeneration properties.

End of Year Target (Low is good)	0%
Dec 10 Performance	0.4%

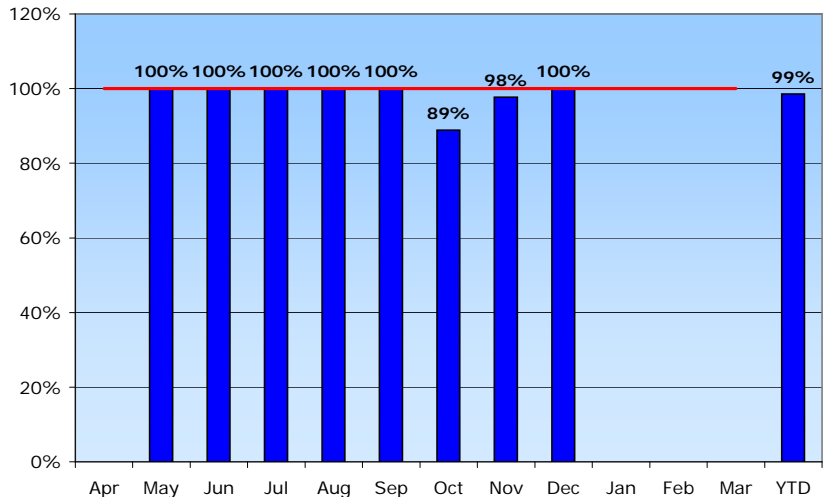


## Fire Safety



The percentage of fire safety actions complete within one month

End of Year Target (High is good)	100%
Dec 10 Performance	100%
Dec 09 Performance	New PI
<b>YTD Performance</b>	<b>99%</b>



## 3) Tenancy

- allocations; rents; tenure

### Relet Time



The average time it takes to relet an empty property.

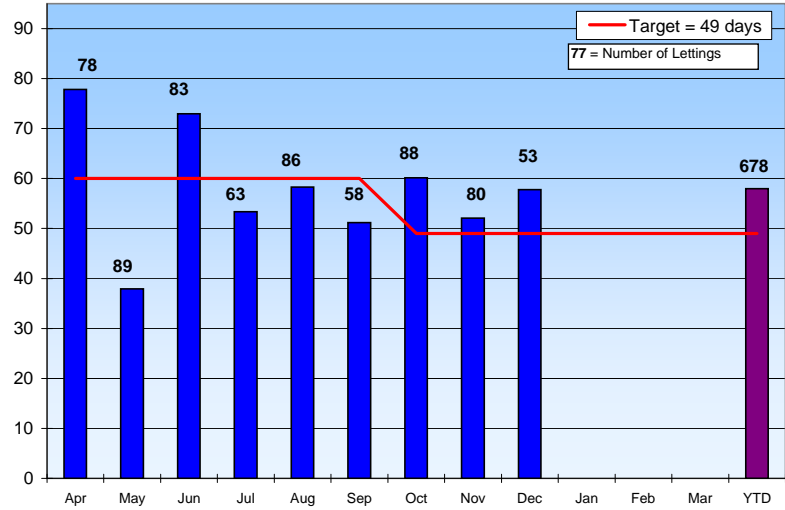
End of Year Target (Low is good) 49 days

Dec 10 Performance 58 days

Dec 09 Performance 50 days

YTD Performance 58 days

Top Quartile (BPSA) = 23.8 days



### Tenant Satisfaction



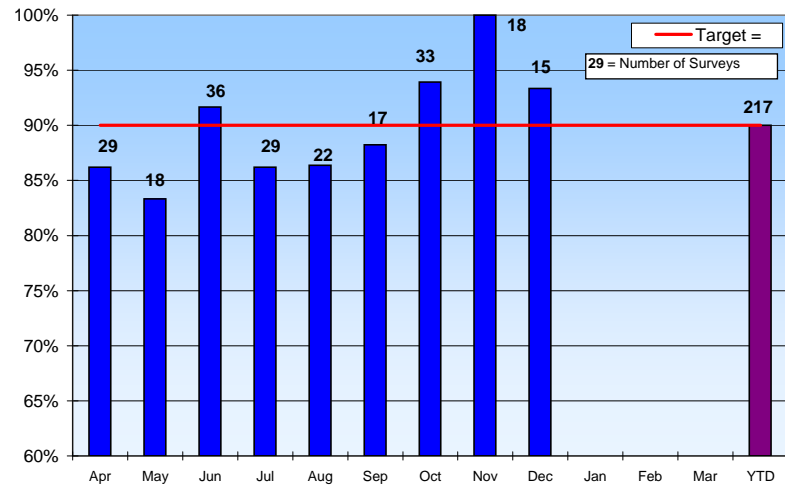
The percentage of new tenants satisfied with the condition of their new property

End of Year Target (High is good) 90%

Dec 10 Performance 93.3%

Dec 09 Performance 85.0%

YTD Performance 90%



### Outstanding Voids

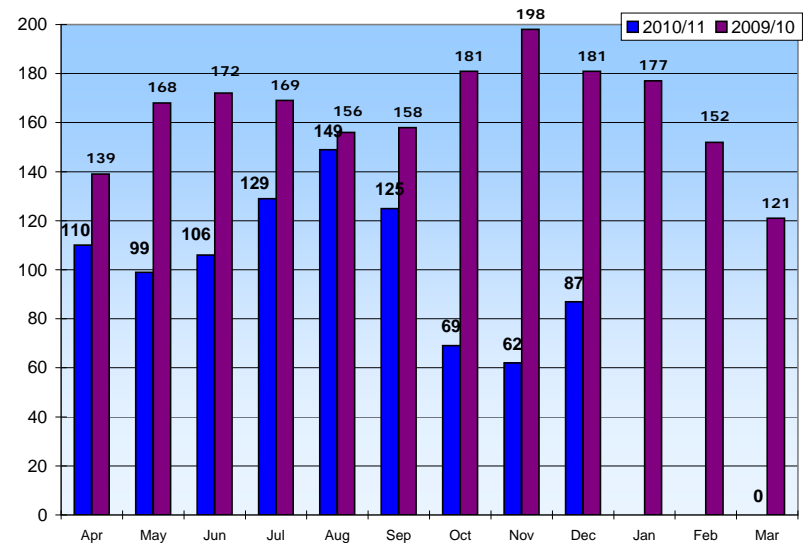


The number of empty properties at the end of each month

(Low is good)

Dec 10 Performance 87

Dec 09 Performance 181



# Barnet Homes Pulse Report

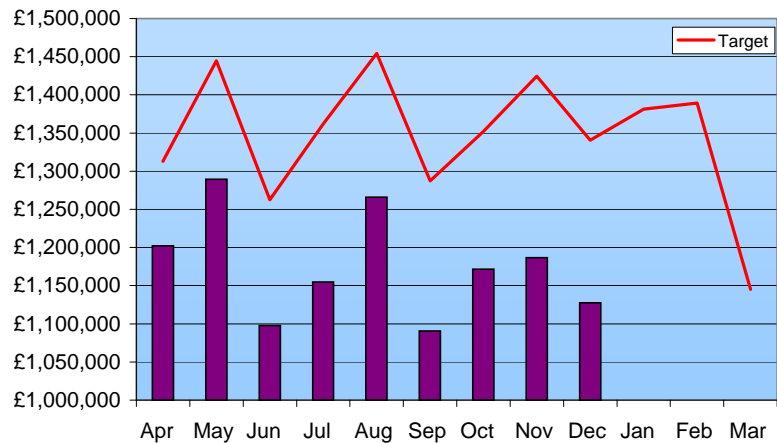


## Arrears



The level of rent arrears at the end of each month

End of Year Target (Low is good)	£1,145,000
Month Target	£1,340,593
Dec 10 Performance	£1,127,468
Dec 09 Performance	£1,265,085

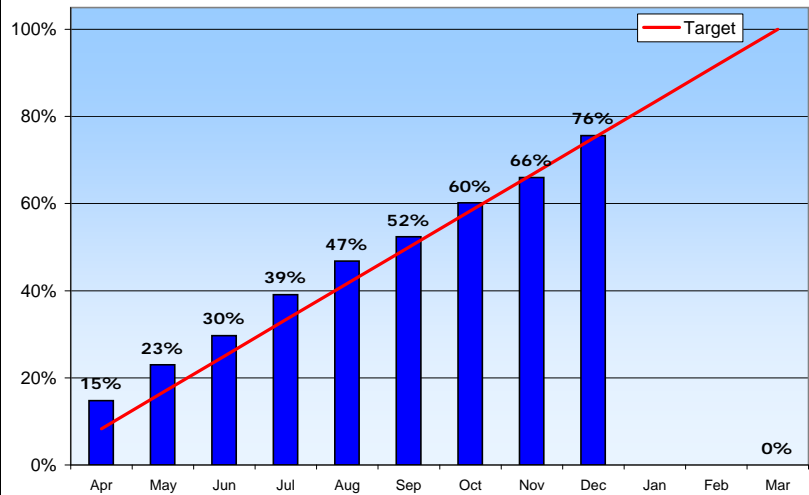


## Service Charge



% Annual Service Charge Collected this year

End of Year Target (High is good)	103%
Month Target	75.0%
Dec 10 Performance	75.6%
Dec 09 Performance	71.8%



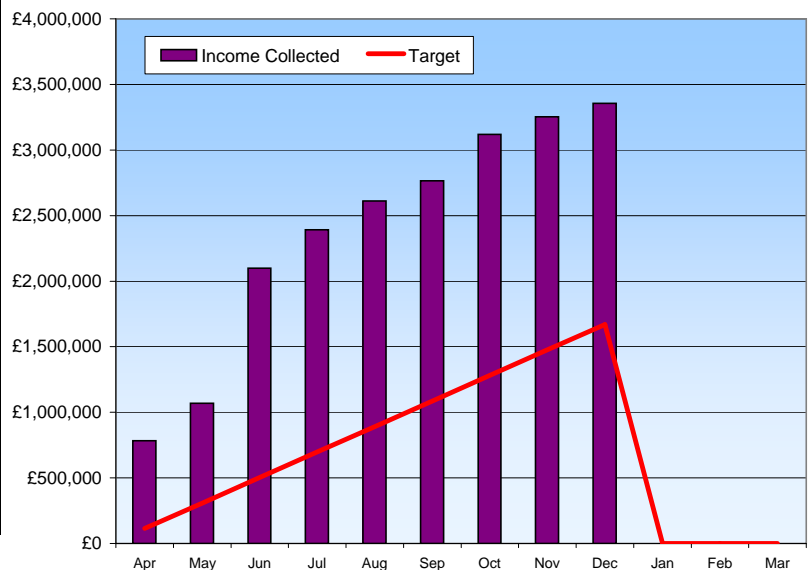
## Major Works Income



The amount of major works income collected from leaseholders this year

(High is good)

Dec 10 Performance	£3,356,528
Target	£1,669,776





## 4) Neighbourhood & Community

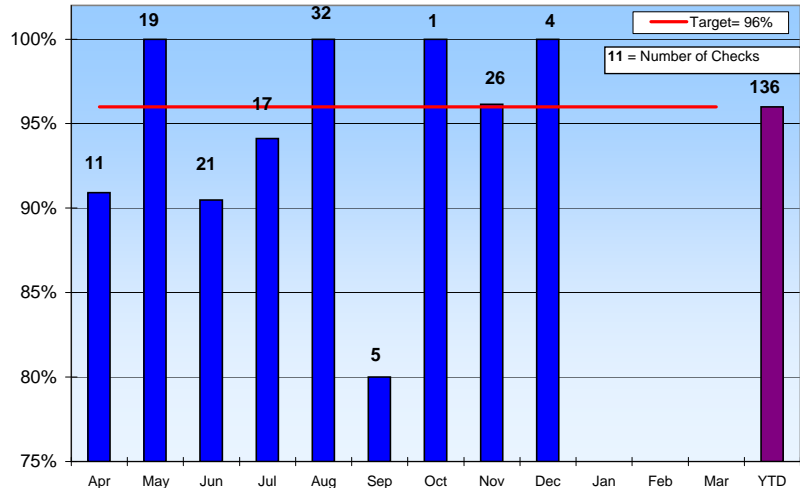
- neighbourhood management; local area cooperation; anti-social behaviour

### Reality Checks - Non Regen



The percentage of reality checks achieving 2 star or above on all estates

End of Year Target (High is good)	96%
Dec 10 Performance	100%
Dec 09 Performance	100%
<b>YTD Performance</b>	<b>96%</b>
Number of checks in month	4
Number of checks YTD	136

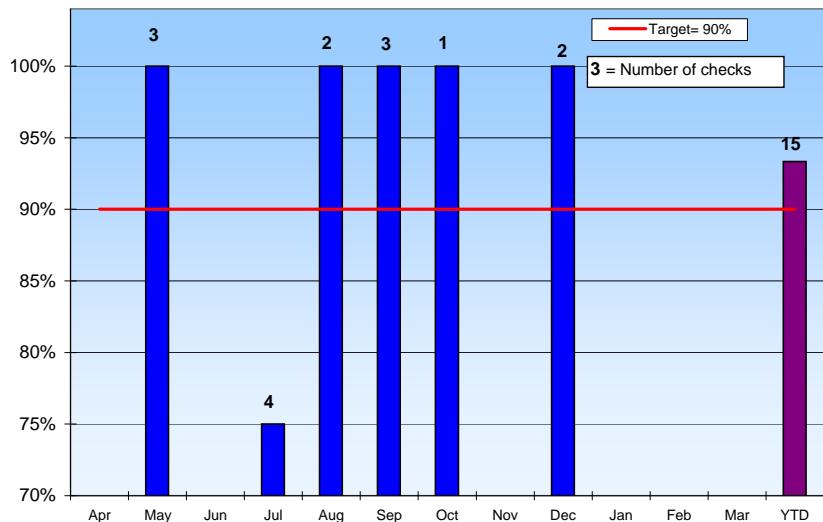


### Reality Checks - Regeneration



The percentage of reality checks achieving 2 star or above on regeneration estates only

End of Year Target (High is good)	90%
Dec 10 Performance	100%
Dec 09 Performance	100%
<b>YTD Performance</b>	<b>93%</b>
Number of checks in month	2
Number of checks YTD	15

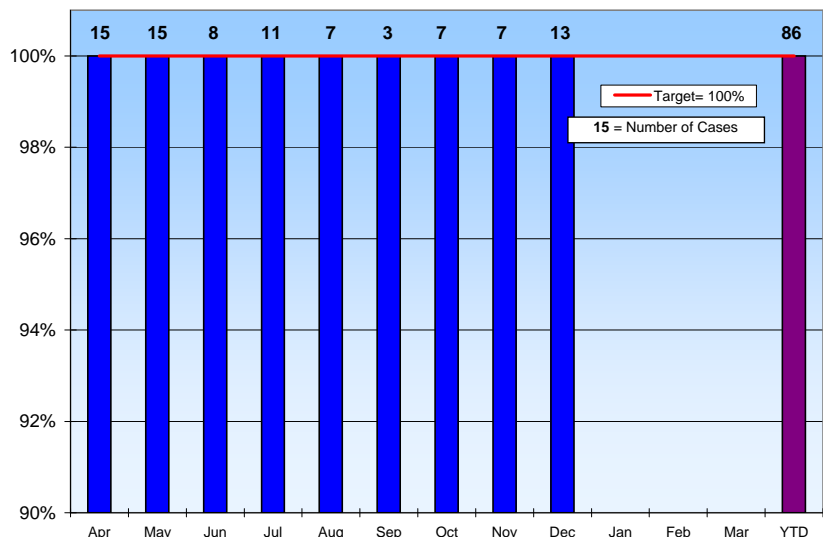


### ASB



The percentage of serious ASB cases responded to in 1 day.

End of Year Target (High is good)	100%
Dec 10 Performance	100%
Dec 09 Performance	100%
<b>YTD Performance</b>	<b>100%</b>
No. of cases reported in month	13
No. of cases reported YTD	86



## 5) Value for Money

### Sickness



The average number of days lost due to sickness per employee

End of Year Target (Low is good) 7 days

Dec 10 Performance 0.5 days

Dec 09 Performance 0.5 days

YTD Performance 4.5 days

Note: End of year projection is 6.8 days

