

BOROUGH OF BARROW-IN-FURNESS

HOUSING MANAGEMENT FORUM

Meeting: Thursday 27th August, 2015
at 2.00 p.m. (Committee Room No. 4)

Group Meetings at 1.15 p.m.

A G E N D A

PART ONE

1. To note any items which the Chairman considers to be of an urgent nature.

2. Admission of Public and Press

To consider whether the public and press should be excluded from the meeting during consideration of any of the items on the agenda.

3. Declarations of Interest

To receive declarations by Members and/or co-optees of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the revised Code of Conduct, they are required to declare any disclosable pecuniary interests or other registrable interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Members may however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests which they have already declared in the Register, as well as any other registrable or other interests.

4. Confirmation of the Minutes of the meeting held on 11th June, 2015 (copy attached).

5. Apologies for Absence/Changes in Membership.

OPERATIONAL

(D) 6. Asset Management Strategy 2015-2020

(D) 7. United Utilities Reward Scheme Review

(R) 8. Gas Maintenance & Responsive Repairs Contract

(D) 9. Gas Maintenance Contract

(D) 10. Scrutiny of Void Standard Policy and Procedures

- (D) 11. Promotion of Properties to Let
- (D) 12. Provision of Temporary or Interim Accommodation for Homeless Families

FOR INFORMATION

13. Planned Investment and Planned Maintenance

NOTE: (D) – Delegated to the Executive Committee
(R) – Referred to the Council

HOUSING MANAGEMENT FORUM MEMBERS:

Councillors: K Hamilton (Chairman)
W. McEwan (Vice-Chairman)
D Barlow
W. Bleasdale
D. Brook
J. Heath
A. Johnston
A. Thurlow

Tenant Reps: Allan McIntosh
Mandy Anderson
Lisa Webb
(*Vacant position*)
Substitutes: Gaynor Giddings
(*vacant position*)

For queries regarding this agenda, please contact:

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Published: 19th August, 2015.

HOUSING MANAGEMENT FORUM

Meeting: Thursday 11th June, 2015
at 2.00 p.m.

PRESENT:- Councillors Hamilton (Chairman), McEwan (Vice-Chairman), Barlow, Bleasdale, Brook, Heath, Johnston and Thurlow.

Tenant Representatives:- Mr A. McIntosh, Mrs L. Webb and Mrs M. Anderson.

Officers Present:- Colin Garnett (Assistant Director - Housing) and Keely Fisher (Democratic Services Officer).

1 – Minutes

The Minutes of the meeting held on 26th February, 2015 were taken as read and confirmed.

2 – Appointment of Representatives to Working Groups etc.

The Executive Director reported that at the Annual Council meeting on 18th May, 2015 the allocation of seats in respect of Forums, Panels, Working Groups etc. were agreed.

The Housing Management Forum were requested to nominate Members and Tenant Representatives to the Tenant Scrutiny Working Party, the Homelessness Funding Working Group and the Tenants Complaints Panel for 2015/2016.

Three Member representatives by proportionality indicated in the report and three Tenant representatives were required for the Tenant Scrutiny Working Party, two Member representatives by proportionality indicated in the report and two Tenant representatives were required for the Homelessness Funding Working Group and one Member representative by proportionality indicated in the report and two Tenant representatives were required for the Tenants Complaints Panel.

RECOMMENDED:- That the Memberships for 2015/16 be agreed as follows:-

Tenant Scrutiny Working Party

Council Representatives (2:1) Councillors Barlow, Heath and McEwan.
Tenant Representatives – To be decided by the Tenants Forum.

Homelessness Funding Working Group

Council Representatives (2:0) Councillors Brook and Thurlow.
Tenant Representatives – To be decided by the Tenants Forum.

Tenants Complaints Panel

Council Representatives (1:0) Councillor Hamilton.
Tenant Representatives – To be decided by the Tenants Forum.

3 – Housing Revenue Account – Potential for Council New Build

The Assistant Director – Housing sought Members' views with regards directly developing new Council properties for rent.

The report also sought Members approval for resources to be identified to enable Officers to complete the necessary preparatory work and to establish the best options available including the associated operational risks, the funding requirements and delivery models.

A further report would then be prepared to enable the Council to consider the options for delivering a new build project and to consider whether it would like to progress.

The current financial framework for the HRA provided an opportunity to consider the option for a stock holding Council to consider directly constructing new property.

The Council had not built new property since the late 1980s. Since then any new properties for social rent had been developed in conjunction with housing associations. However, in recent years there did not appear to have been any appetite for any new developments through the traditional housing association option.

In making a proposal to investigate the options for new builds, the Assistant Director would like Members to agree the principles behind why the Council would give consideration to investing in new build and the objectives it sought to achieve.

He suggested the basis for any investment should be “more than to merely provide additional housing but to clearly seek to link investment to the Council's four strategic objectives”. For example, any proposed model should consider directly linking with previous or ongoing area-based initiatives, to contribute to creating confidence in the area, to encourage involvement by other developers, and to improve the housing offer in the area, both in terms of type and needs identified through the recent Housing Needs Survey.

The process of new build would involve a number of key stages, ranging from the funding options through to how they would be delivered on site and subsequently managed. The Council would need to agree a business model that met the cost of development and achieved longer term income levels to ensure the scheme was financially viable.

Any decision to proceed would involve significant investment from the HRA and it was important all potential risks were carefully considered.

It was many years since the Council had directly built residential accommodation and external assistance and advice would be required to develop an appropriate model of delivery for Members consideration.

The Assistant Director therefore suggested that Members may wish to make resources available from the Housing Revenue Account to look at developing an appropriate financial model and secondly delivery options for further consideration.

The development of the model and any future funding costs would be included within the HRA. It was proposed that resources be made available from the HRA to carry out this investigatory work. At this stage the Assistant Director could not give Members a clear indication of the likely cost of such work, but suggested a figure of £30k be identified and that he be authorised to use up to this figure in order to investigate and develop an appropriate model.

No monies had been identified in the HRA 2015/16 for this purpose. However, recently the Cumbria Housing Partnership had agreed to distribute amongst its members the surplus that had built up. The Borough Council's share of this amounted to c£30,000.

Should the Council reach a decision to progress a new build initiative, it would involve a very significant investment. The Assistant Director therefore suggested to Members the initial stages of considering an appropriate business plan option would take some time and that the Council should look to be in a position to report further in time for the budget approval process for 2016/17.

RECOMMENDED:-

- (i) To agree investigatory work was completed with the objective of developing an appropriate model to deliver a Council new build scheme for consideration at a future meeting;
- (ii) To agree any proposed model should seek to contribute to the Council's four strategic priorities, with particular reference to adding further to the area-based initiatives that had been progressed in the inner wards; and
- (iii) To agree resources of £30k be made available to complete this investigatory work and the Assistant Director (Housing) be given delegated authority to use up to this figure in order to complete this initial work.

4 – Housing Management ICT System Replacement

The Assistant Director – Housing reported that the main Housing Management System, provided by Civica, was over 30 years old and had served the Council well but it was designed for a different way of doing business – maintaining rent accounts and recording payments mainly via Housing Benefit, matching available properties to a waiting list, and processing repairs requests received over the phone. It was several generations out of date and didn't fit easily alongside other corporate systems. It was hard and expensive to manipulate to meet the Department's basic day to day needs for service delivery and information.

As the Housing Service was now self-financing that meant that it had to be much clearer, much earlier about the risks, issues and support needs of tenants and the condition and investment to its properties. Systems were needed which identified

trends and predicted risk so that resources and the business was managed proactively.

Customers carried out their business differently and increasingly on a self-serve basis, from bidding for properties to paying their rent via digital channels and whilst mobile.

Staff and customers needed access to information and services via tablets and smart phones.

During the review, Capita interviewed all stakeholders/or their representatives (including staff, IT, Senior Managers, tenant representatives and Housing Management Forum chair) and their findings were conclusive that the current system did not meet needs nor service aspirations.

The options were limited as the system could not be left as it was nor updated In-House any further. There was an option of migrating to Civica's new platform "Civica CX" or go to market for a replacement Integrated Housing Management System.

Capita recommended a full open market competitive tender, however, because of the Council's size, aspirations and cost it was felt and recommended that a 'soft market' and direct award approach using the Crown Commercial Service (CSS) was recommended.

The Framework:-

- It was fully EU compliant and saved customers the time and money associated with conducting their own procurement exercise;
- CCS ensured customers had access to the most competitive deals; and
- Suppliers were carefully evaluated during the tender process and pre-agreed terms and conditions offered customers sound contractual safeguards.

Housing Operational Managers initially needed to see what modern management systems could do before the Council were in a position to draw up its key requirements to shortlist matching products (using some external IT expert assistance). The shortlist would then be subjected to a closer scrutiny before awarding the contract. An IT Consultant with Housing Management system expertise would be engaged as Implementation Manager reporting to the Business Support Manager. Their brief would be to co-ordinate and liaise with the Software Company Project Manager and internally with IT, to establish the detailed operational parameters working with the functional teams and to pass on their knowledge to the IT Support Officer.

Replacement of any Housing Management System was a mammoth and lengthy amount of work for everyone involved and especially the already hard-pressed Housing Management and IT Department. With that in mind the following plan was outlined:-

What	Who	When
Understand and view modern Housing management systems	Housing Management	June/July 2015
Draw up key system requirements	IT Consultant/Housing	Sept/Oct 2015
Contract Approval, Capital Appraisal (Prepare & propose Business Plan)	Business Support Manager.	Nov/Dec 2015
Shortlist & award contract via CSS	Housing /IT	Jan 2016
Appoint external IT consultant	Housing /IT	Mar 2016
Start project	Housing /IT	April 2016
Workshops -	Housing /IT/consultant	Apr – Sep
Data migration	Business Support Manager /IT/consultant	Aug - Sep
User acceptance testing	All	Oct - Dec
Parallel operation Live and In-house to year end	All	Jan 2017

RECOMMENDED:- To agree the strategy to replace the Housing Management System including the services of an Independent IT Consultant whose cost would be met from the existing agreed budget. A business case for the Purchase and Implementation investment costs would be sought from capital in the 2016/17 budget.

5 – Cumbria Housing Partners Contractor Selection Procedure – Windows and Doors

The Assistant Director – Housing reported that at the meeting of the Housing Management Forum on 27th November, 2014 Members had agreed the methodology for the selection and appointment of contractors from the 2014 CHP framework using one of two selection methodologies:-

1. Direct call off; and
2. Mini competition

In line with this recommendation, Officers had requested Procure Plus to undertake a review of window and door contractors from the CHP framework to install windows and doors to Council properties.

Window and Doors – Direct call off procedure

The Maintenance Team, in conjunction with Procure Plus had evaluated 10 window and door contractors from the CHP framework. Top Notch Contractors Limited had

been identified as its preferred window and door contractor for the period 2015 to 2019.

The review was completed on 17th April 2015. A copy of the report was attached as an appendix to the Assistant Director's report for information.

RECOMMENDED:- To note and retrospectively agree the appointment of Top Notch Contractors Limited as the Council's preferred window and door contractor for the period 2015 to 2019.

6 – 2015/16 Planned Investment Programme: Appointment of Additional Support

On 15th January 2015 Members had agreed the expenditure profile for 2015/16 investments. The proposed profile and priorities were based on the agreed Five-year Asset Management Strategy 2010 and made reference to some of the provisional findings of the 2014 Stock Condition Survey.

The report identified a number of newly arising investment needs, including:-

- Re-roofing and re-rendering properties on the Roosegate estate;
- Re-rendering properties on the Ormsgill estate;
- Renewal of flat roof coverings to Lower Hindpool and Ewan Close;
- Commencement of a replacement window programme;
- Undertaking improvements to the 76 No HHSRS properties;
- Upgrading communal lighting with energy efficient bulbs or fittings (LED);
- Undertaking garage improvements (roofing and damp repairs); and
- Upgrading perimeter fencing in Ormsgill and Roosegate

The delivery of these additional work streams and in particular the larger projects such as re-roofing and external works required additional temporary resources to ensure compliance with the specification and to ensure health and safety matters were effectively managed on site.

At this time it was envisaged the additional support required would not become a permanent requirement and could therefore be dealt with by the appointment of a suitable building surveying company to provide the additional capacity.

The Housing Maintenance Team had utilised the services of a temporary Building Surveyor to cover periods of long term absence. The Surveyor had knowledge and familiarity with the Cumbria Housing Partners e-procurement systems and had been engaged on a competitive hourly rate. His role would be to supervise contractors undertaking the new work streams during 2015/16 on the basis of 16 hours per week.

RECOMMENDED:- To agree the appointment of this Building Surveyor for up to a twelve month period and agree to classify the appointment as an "exception" under Item 15 of the Council's Standing Orders.

7 – Equality and Diversity Strategy

The Assistant Director – Housing reported that the Equality Act 2010 had introduced new equality strands and replaced previous anti-discrimination laws with a single Act that simplified the law, removing inconsistencies and making it easier for people to understand.

At present, the Housing Service was subject to the general public sector 'equality duty' due to carrying out public functions. This meant that the service must, as a minimum, have due regard to the following when we carry out functions:-

- The need to eliminate unlawful discrimination and harassment;
- The need to advance equality of opportunity; and
- The need to promote good relations and positive attitudes.

The Act helpfully explained that having due regard for promoting equality involved:-

- Removing and minimising disadvantages suffered by people due to their protected characteristics;
- Taking steps to meet the needs of people from protected groups where these were different from the needs of other people; and
- Encouraging people from protected groups to participate in public life or in other activities where their participation was disproportionately low.

Embedding Equality and Diversity (E&D) across the Housing Service was the key aim of this strategy. To achieve this the following specific key objectives had been set:-

- To provide an excellent service that was responsive, non-discriminatory and sought to deliver continuous improvement;
- Establish clear diversity standards for monitoring and improving services;
- Establish effective leadership and governance arrangements to scrutinise performance on diversity and to make sure that this strategy was delivered; and
- To promote and encourage equality and diversity in all areas of work.

The Housing Service would ensure that it monitored and scrutinised its performance on E&D and make sure its Strategy was delivered by:-

- Effectively communicating this Strategy across the Housing Service, making sure the key actions were co-ordinated and delivered effectively;
- Publishing awareness on E&D key aspects in the Housing Matters newsletter;

- By ensuring that E&D awareness was a key aspect of Committee, resident and employee training. Annual training events on all aspect of E&D for Members, residents group members and employees were held annually;
- By rolling out mentoring programmes for employees – through the Council's 'Induction process' for all new members of staff; and
- Updating all staff with E&D factsheets.

The Housing Service was committed to the principles of equality. It aimed to make sure that its services were effectively tailored to the needs of its existing and future customers, and that all sections of the community had equal access to those services.

RECOMMENDED:-

- (i) To note the content of the report; and
- (ii) To agree the final draft of the Equalities and Diversity Strategy for the Housing Service which would form the operating basis on developing the Council's approach to Equality and Diversity.

8 – Survey of Tenants and Residents (STAR)

The Assistant Director – Housing reported on the Housing Department's proposal to undertake a Tenants' Satisfaction Survey to enable continued promotion of tenant involvement, benchmarking of performance against other social housing providers and as a basis for action planning in respect of future service reviews and development.

In early 2011, the Department for Communities and Local Government (DCLG) signalled the end of the regulatory requirement to carry out the large STATUS tenants' satisfaction surveys. Under STATUS, housing providers were required to compulsory survey at least every three years.

Housemark, a leading provider of performance improvement services, quickly identified that many housing providers wanted to continue to survey tenants and residents on a voluntary basis and sought to provide a flexible survey based upon the main features of STATUS. Following a consultation with housing providers, a new survey called STAR (Survey of Tenants and Residents) was developed.

STAR could be summarised effectively as the following:-

1. A flexible survey which could be conducted in-house or by commissioning an external market research company;
2. Has a number of core questions but users could also include any of the set optional questions or alternatively include their own specifically worded questions;

3. Could be conducted across the whole stock (census) or across a sample of the stock (sampling);
4. Could be adapted to target different categories of tenants and residents, e.g. general needs, supported, older people, leaseholder; and
5. Could be undertaken using a variety of methods such as postal, face to face, telephone, on-line. Postal was suggested as the primary method with the option to compliment this using other methods.

There were many things to be gained from undertaking the STAR survey which were summarised below:-

1. Facilitated meaningful tenant involvement;
2. Enabled scrutiny of services and therefore assisted with regulatory compliance in co-regulation;
3. Results could be used to benchmark performance against other housing providers;
4. Enabled effective service review and development;
5. Assisted in promoting value for money as trends in performance could be addressed earlier; and
6. It supported good practice throughout the housing sector.

There was no compulsory requirement to carry out tenants' satisfaction surveys but it was regarded as good practice to do so. Surveys gave opportunities to tenants to be involved in the review and development of services. In addition, surveys gave tangible results which could be benchmarked against other housing providers and enable effective performance management.

The Homes and Communities Agency (HCA) Housing Regulatory Framework remained set around the principle of co-regulation, encouraging providers to undertake robust self-regulation which incorporated effective tenant involvement. Since surveys conducted on a large scale were considered more representative and therefore more accurate than smaller surveys, STAR would be a useful tool in assisting the co-regulation process and helping with regulatory compliance.

In the Summer of 2012, following a tender process, BMG Research were commissioned to carry out a STAR survey on behalf of the Housing Service. The results of that survey were then used to develop a plan for improvement of services which included:-

1. A review of Anti-social behaviour policy and procedure;
2. A change of contractor for the staircase cleaning within flat blocks; and
3. A review of the provision of environmental enhancement projects.

Managers and involved tenants had discussed and agreed that the information obtained from the 2012 survey was now out of date and should not be relied upon for benchmarking performance or for service review and development. It was agreed

that a further STAR survey should be utilised to get an up to date view of how satisfied tenants were with the services they received.

Consideration had been given to the resources required to conduct the STAR survey in-house versus tendering the work and it had been agreed that the task would be better managed by an appropriate Market Research Company.

As part of the budget for 2015/16, there were funds of £10,000 allocated to conduct the STAR survey during 2015.

Having regard to the Borough Council's procurement procedure, three market research companies had been identified and they had been invited to tender for the work based on a written specification of Housing Department requirements.

RECOMMENDED:- To note and endorse the proposal to conduct the STAR Survey.

9 – Housing Management Performance Report 2014/15

The Assistant Director – Housing reported on the end of year performance information as shown at **Appendix A** to these Minutes.

The performance indicator report showed Housing Management's overall level of achievement against a set of benchmark targets. The benchmark was the Housemark 'median' cross sector performance scores from 2014/15.

The value for money section would be updated and reported in the next Housing Management Forum report when the benchmarked accounts were available.

The purpose of the report was to provide the background context which had directly strengthened or weakened the results and to suggest what the best opportunities and challenges were for the coming year.

Influence 1

Welfare reforms in the form of 'under occupancy' reduction in Housing Benefit and the introduction of Universal Credit and other sanctions continued to have an impact on arrears.

Influence 2

Water rates were incorporated within the rents from April 2013.

Influence 3

Ongoing issues with the Repairs Contractor

Officers had already considered these influences and would address in the following way:-

Action 1:	Continue to concentrate efforts in identifying and supporting vulnerable tenants through the transition to Universal Credit
Action 2:	Reduce risk to HRA income by continuing to improve rent collection
Action 3:	Bed in the new responsive repairs contract to improve the % of repairs completed first time and on time and improve the turnaround of voids
Action 4:	Prepare for the replacement of the Housing Management system which would improve functionality, help Officers work more effectively whilst mobile and enable a self-service facility for those tenants wishing to access the service outside of normal office hours

RECOMMENDED:-

- (i) To note the information contained in the report and at **Appendix A** to these Minutes; and
- (ii) To agree Actions 1-4 for 2015/16.

10 – Allocation of Housing Right to Move Grant Funding

The Assistant Director – Housing reported that Right to Move came into effect on 20th April, 2015 and was introduced for social tenants who needed to move to take up a job or live closer to employment or training. The Borough Council Housing Service was a partner in Cumbria Choice - Choice Based Lettings Scheme which brought together a number of authorities and registered providers of social housing across Cumbria with a common allocation policy that applied to all the partners.

The purpose of the Assistant Director’s report was to provide Members with information on the allocation of Housing ‘Right to Move’ grant funding of £3,044.

Cumbria Choice provided an excellent basis for cross boundary mobility with provision within the policy to provide for tenants to move between partner authorities for work related reasons in line with new statutory guidance.

The new statutory guidance was intended to assist Local Housing Authorities to ensure that tenants who needed to move for work within or across Local Authority boundaries were given appropriate priority under the Cumbria Choice – Choice Based Lettings Scheme. The guidance set out the Government’s expectation that local authorities should:-

- apply the existing ‘hardship’ reasonable preference category to social tenants who needed to move for work related reasons; and

- set aside a proportion of lets to enable such tenants to move across Local Authority boundaries where necessary guidance stated a quota of at least 1% being appropriate.

Cumbria Choice had previously reviewed the allocation policy and taken advice from the Department for Communities and Local Government to ensure it was in line with the new statutory guidance. Provision was made within the policy under 'hardship' for tenants needing to move for employment purposes.

Partner Local Authorities had transferred the 'Right to Move' grant to the Cumbria Choice Based Lettings budget to assist in the implementation of guidance on the Right to Move quota.

The Borough Council Housing Service was a key partner within Cumbria Choice Based Lettings and would continue to work with the Project Board to implement guidance and agree the Right to Move quota across Cumbria.

RECOMMENDED:-

- (i) To note the allocation of Housing Right to Move grant funding; and
- (ii) To agree to operate in line with Cumbria Choice Based Lettings allocation policy and for the £3,044 funding grant to be transferred to the Cumbria Choice Budget in line with other partner Local Authorities.

11 – Planned Investments and Planned Maintenance 2014/15 Year End Expenditure

The Assistant Director – Housing reported information relating to the Planned Investment and Planned Maintenance Programme for 2014/15 Year End Expenditure. The information is attached at **Appendix B** to these Minutes.

RESOLVED:- To note the information.

REFERRED ITEM

THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

12 – Housing Maintenance and Gas Servicing – Future Arrangements

The purpose of the Assistant Director – Housing's report was for Members to consider and agree the future arrangements to provide maintenance services for Council tenants. In particular this included, tenant generated repair requests, repairs to any void properties, gas servicing and maintenance, and an out of hours emergency response service.

The Council operated a repairs and maintenance service to its tenants and leaseholders. Delivery of the works was via a single contract and was awarded for the period 2011/15. The current Contract was due to end on the 4th November, 2015, but did include an option to extend for a further two years.

The objectives when awarding the existing Contract was to provide cost certainty, simplicity of delivery and minimise the level of management input required.

At the Housing Management Forum meeting on 27th February 2014, it was decided to engage Procure Plus to assist in carrying out a procurement exercise to establish if there were any alternative service providers interested in engaging with the Council to provide the above services.

An OJEU compliant procurement process had now been completed and the report would provide details of the outcome of the process and recommended future arrangements for the delivery of these services.

In order to maximise the interest in a potential Contract and how it was structured, the Contract was advertised in the relevant trade journals and also included a “meet the buyer” day to enable any interested parties to discuss with Officers and representatives from Procure Plus the potential Contract and the possible options for delivery, prior to the procurement process commencing.

Following the event a total of 13 contractors submitted Tenders for consideration, 12 of whom were invited to progress to Interview stage. The process enabled Contractors to bid for a comprehensive Contract or for Fabric or Gas separately.

All 12 Contractors were scored against their written submission and interview using a common scoring matrix. Their costs were then evaluated and ranked and the scores from each combined to provide a final score based on the quality and price matrix.

In reading the scores it was important to note that by using the 50/50 quality/price model the highest scoring Contractor was not necessarily the lowest cost. The recommendations contained in the report were all financially within the agreed budgets for completion of these works.

The process had resulted in a spread of scores with a clear lead Contractor, for whichever Option was agreed.

The scoring matrix clearly provided the opportunity for the Council to have choices with regards future delivery arrangements and the Assistant Director commented as follows:-

Option 1: Offering the existing Contractor a two year extension

The current Contractor had suggested they would consider an extension to the Contract. However, the current Contract included a number of performance indicators which had been used throughout the Contract term to measure performance. This had enabled the Council to objectively monitor the quality of delivery both locally and also through a benchmarking club. Throughout the period of the contract, performance had remained “lower quartile” (74%) rather than “upper quartile” (96%) and was significantly below what was expected. Secondly, the administration of the Contract had been operationally more difficult than was desirable for both parties, and there remained a number of issues yet to be resolved, including final cost of some jobs that had been completed.

The Assistant Director was of the view this had had a negative impact on the service received by tenants and he could not envisage a significant service improvement should an extension be offered.

Option 2: One Contract

With reference to Table 3, Contractor No. 2 had achieved the highest score. The company specialised in the social housing market.

Option 3: Separate Fabric and Gas servicing contracts

With reference to Tables 1 and 2, the procurement process had again identified highest ranked Contractors for either fabric (Contractor No. 5) or gas (Contractor No. 13) should they be separated. Again, both specialised in the social rented sector.

In considering options 1, 2 and 3, the Assistant Director commented as follows:-

- **Option 1:** He would not recommend a two year extension to the existing service provider as he could not envisage achieving the level of improvement that was required within the current Contract arrangements and with regard to the experience of the Contract to date.
- **Options 2 or 3:** In both options Contractors had been identified to deliver the works and the main consideration was whether to operate a single Contract or two; one for fabric and one for gas.

There was no reason why these could not be delivered separately, and this was the case with a number of providers throughout Cumbria. By operating them in one Contract it could be suggested it would provide ease of management, minimise administration and improve co-ordination of service delivery.

However, in practice, and by necessity, separate supervision arrangements had evolved to manage the different work areas and he would have difficulty suggesting any added value had been achieved by operating a single comprehensive Contract either from a delivery or management perspective.

In separating the two areas of work, whilst it created “two” Contracts he suggested from past experience it would not add any greater demands on the management of the process than now, but would ensure clearer focus on the specific areas of work completed by each Contractor. It would be necessary to develop separate IT links with the respective Contractors but the cost of such would be a “one off” and he suggested, not significant in terms of the potential life of the Contract.

With particular reference to gas servicing, a number of Contractors, including the highest scoring Contractor for this work, specialised solely on this area of work.

He suggested from a practical perspective it would enable Officers to work with two Contractors with a different focus and aid the process of service delivery and improvement.

The approach adopted over the last six months had provided options for the future delivery of services. Based on previous experience of such exercises it had been a positive process.

In considering the options that were available, based on the procurement process, and the Assistant Director's comments he recommended the Council agreed changing its model of delivery and award a "Fabric" Contract to Contractor No. 5 and a "Gas" Contract to Contractor No. 13. The award of Contracts in both cases would be for four years with potentially a further six years with two-yearly break clauses.

Legal Implications

Officers would arrange for appropriate Contracts to be signed by the new Contractors in advance of the Contract starting. To maximise the time available for mobilisation, the successful Contractors would be asked to engage in the process as soon as practical subject to Council approval on 21st July, 2015.

Staff currently employed on the Contract would be protected by TUPE. It would probably be the case a new Contractor may wish to make changes to the way the Contracts were delivered. The separation of the two functions would add some complexity, but it would appear the current Contractor already to some extent managed the fabric and gas elements of the Contract separately. Until closer to the handover of the Contract full TUPE information would not be available to the new Contractors. Whilst the new Contractors had been asked to include for the cost of managing these changes in their submissions, some cost for changes in staffing arrangements may have to be met by the Council.

Risk Assessment

Officers had given consideration to the recommendations contained within the report. Whilst offering an extension was an option considered, it would only be for a further two years and the outcome was uncertain.

It was clear, in terms of Options 2 or 3, the highest scoring Contractors were specialist in the social housing field and successfully delivered the work elsewhere so risk of delivery was seen as low. It was likely they would look to change the day to day management arrangements for the delivery of the Contract to reflect their particular operational preferences.

However, the introduction of a new model of delivery provided opportunity for the Council to work with both Contractors for mutual benefit, achieve its objectives and make the delivery experience of value to tenants.

Financial Implications

Below is a summary of the scores awarded to the Tenders received:-

Table 1

LOT 1 - RESPONSIVE REPAIRS			Quality	Price	Bidders Grand Total (Out of 100%)
Weighting			50%	50%	
Bid No.	Rank	Company Name	Weighted Score	Weighted Score	
5	1	CONTRACTOR No 5	46.67%	27.57%	74.24%
2	2	CONTRACTOR No 2	36.67%	31.31%	67.98%
1	3	CONTRACTOR No 1	26.67%	39.42%	66.09%
11	4	CONTRACTOR No 11	30.00%	33.05%	63.05%
4	5	CONTRACTOR No 4	20.00%	36.30%	56.30%
9	6	CONTRACTOR No 9	20.00%	33.38%	53.38%
7	7	CONTRACTOR No 7	20.00%	27.77%	47.77%
6	8	CONTRACTOR No 6	20.00%	23.29%	43.29%

Table 2

LOT 2 - GAS SERVICING			Quality	Price	Bidders Grand Total (Out of 100%)
Weighting			50%	50%	
Bid No.	Rank	Company Name	Weighted Score	Weighted score	
13	1	CONTRACTOR No 13	33.33%	41.75%	75.08%
11	2	CONTRACTOR No 11	30.00%	36.75%	66.75%
2	3	CONTRACTOR No 2	36.67%	25.39%	62.06%
9	4	CONTRACTOR No 9	20.00%	40.00%	60.00%
12	5	CONTRACTOR No 12	26.67%	28.93%	55.60%
10	6	CONTRACTOR No 10	16.67%	35.26%	51.93%
3	7	CONTRACTOR No 3	16.67%	31.94%	48.61%
7	8	CONTRACTOR No 7	20.00%	25.15%	45.15%
6	9	CONTRACTOR No 6	20.00%	20.03%	40.03%

Table 3

LOT 1 & LOT 2 COMBINED			Quality	Price	Bidders Grand Total (Out of 100%)
Weighting			50%	50%	
Bid No	Rank	Company Name	Weighted Score	Weighted Score	
2	1	CONTRACTOR No 2	36.67%	41.12%	77.79%
1	2	CONTRACTOR No 1	26.67%	31.81%	58.47%
11	3	CONTRACTOR No 11	30.00%	45.56%	75.56%
4	4	CONTRACTOR No 4	20.00%	45.28%	65.28%
9	5	CONTRACTOR No 9	20.00%	39.53%	59.53%

A financial appraisal of the highest scoring Contractors had been made and the indicative costs were within the budgets for delivering this work.

Should the highest scoring Contractor be appointed to deliver a fabric and gas Contract, their cost for delivering the fabric element would potentially be lower than the highest scoring Contractor proposed for fabric only. However, when considering the financial consequences of delivering the two separately, the combined cost of the two was lower.

Officers had looked to identify the cost delivery for the two Contractors being recommended which were shown in the table below. In addition they had looked to compare it against the cost of the current Contract. In doing so the Assistant Director pointed out at the time of appointment the current Contractor was significantly lower than other Tenderers and from information they had provided the cost of managing the Contract was higher than originally agreed. Officers had taken the liberty to factor this in, but would strongly suggest the price comparison was merely that and did not influence the recommendation which focused on the experience of delivery.

Option No	Company	Outturn Estimate (Per year)	TUPE Fabric	Outturn Final
Option No 1 2 Year Extension	Incumbent Contractor	£1,094,000	NIL	£1,094,000
Option No 2 One Contract	Contractor 1 (Fabric & Gas)	£1,103,493	£10,000	£1,113,493
Option No 3 Separate Contracts for Fabric and Gas	Contractor 1 (Fabric)	£815,000	£75,000	£1,153,000
	Contractor 1 (Gas)	£260,000	£3,000	

Health and Safety Implications

The Contractors had been required to provide information on their health and safety arrangements which formed part of the assessment process. For operational purposes, Members should be clear these contracts would operate independently of each other.

Equality and Diversity

The recommendation had no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

Health and Well-being Implications

The maintenance of tenants' properties to an agreed standard had a fundamental impact on their health. It was therefore imperative a service which was valued by tenants is delivered.

RECOMMENDED:- That the Executive Committee:-

- (i) Agree not to offer a Contract extension to the current service provider;
- (ii) Note the outcome of the process that had been undertaken in conjunction with Procure Plus to ensure the Council complied with the OJEU requirements and identified the preferred provider(s);
- (iii) Agree a new model of delivery by separating the "fabric" repairs from the "gas" element of the current Contract; and
- (iv) Agree the following Contractors be offered the two resultant Contracts for four years with potentially a further six years with two-yearly break clauses:
 - Gas: Contractor "Number 13"; and
 - Fabric: Contractor "Number 5".

The meeting closed at 2.35 p.m.

APPENDIX A

Performance Indicator	Actual 2012/13	Actual 2013/14	Actual 2014/15	Target (Median)
£ Rents Collection				
£ Rent & Service Charges due (exc Void)	9,728,187	10,687,981	11,101,931	£10,726,368
£ Rent collected	9,604,739	10,482,254	11,059,494	£10,511,841
Rent collected as % of rent due (exc ft)	98.73%	98.08%	99.62%	98%
£ Current Arrears (dwellings)	£203,623	£370,804	£395,657	£321,791.04
£ Former Arrears (dwellings)	£135,745	£162,969	£194,982	£160,768
Write Offs (Gross)	£38,573	£137,688	£130,795	£150,000
Tenants evicted for rent arrears	5	15	11	15
Current tenants arrears % of rent owed	2.1%	3.5%	3.6%	3%
Former tenants arrears % of rent owed	1.4%	1.5%	1.8%	2%
£ Rent arrears Garages	£1,452	£1,763	£1,763	£ 3,750
£ Rent Arrears Shops	£22,146	£15,464	£15,464	£ 15,000
Void management	2686	2677	2662	2666
Tenancy Turnover %	10.1%	12.9%	10.8%	8.05%
Total number of re-lets	245	340	324	370
No. of Voids	270	344	287	350
Ends due to Under Occupation		48	11	10
Average relet time for dwellings (inc days spent in MW)	32	35	46	30
£ rent loss through vacant dwellings	£ 111,607	£ 165,336	£ 165,938	£ 168,229
£ rent loss due to vacant garages	£2,290	£2,157	£2,501	£ 4,500
£ rent loss due to vacant shops	£5,000	£1,022	£0	£ 4,000
£ rent loss due to vacant dispersed	NA	NA	£25,358	£ 13,019
% properties accepted on first offer	78.4%	76.5%	72.8%	70%
Loss per Void (Rents, Repairs, Arrears)	£ 2,684	£ 1,341	£ 1,512	£2,000
Maintenance				
No. Repair Orders issued (Tenant Demand)	10,109	10,822	10,306	9,197
Responsive & Void repairs per property	3.7	4.0	3.9	3.4
P1 & P2 as a % of total repairs	63.8%	63.0%	58.1%	47.5%
% all responsive repairs completed on time	77.1%	71.2%	78.4%	96.3
P1 % emergency repairs completed on time	94.6%	89.0%	96.1%	96.7
P2 % urgent repairs completed on time	77.3%	73.0%	78.4%	94.6
Average end-to-end time for all reactive repairs (days)	19.78	17.46	16.5	8.2
Percentage of repairs completed 'Right First Time'	79.79	N/A	N/A	88.8
Appointments kept as a percentage of appointments made	61%	N/A	N/A	96.8
Appointments made as a percentage of repair orders (exc gas & voids)	100%	N/A	N/A	94.1
Percentage of dwellings with a valid gas safety certificate	100%	100.0%	100.0%	99.8%
Percentage of homes that fail to meet the Decent Homes Standard	0%	0%	0%	0.2%
*Average energy efficiency rating of dwellings (based on RD SAP 9.83)	69.2	69.2	69.2	70.25%
Homeless				
Homeless ave. days in temporary dispersed accommodation	57	56	52	
Homeless ave. days in temporary B&B accommodation	27	35	36	
Homeless Total Cases Closed	903	782	565	
Homeless Advice	408	187	178	
Homeless Prevention	170	492	321	
Homeless Applications	147	103	66	
Homeless Successful Preventions	148	277	174	
Eligible Homeless (Owed a full duty)	30	19	16	
Water Charge Collection				
Direct Debit payers	260	758	765	
Successful applications for Support Tariffs	68	124	510	

Housing Register	Actual 2012/13	Actual 2013/14	Apr-Mar 2014/15	
Active Direct Applicants	1471	1162	1151	
Active Transfer Applicants	346	286	270	
Cumbria Choice Register	1817	1448	1421	
Equality & Diversity				
ASB cases reported	72	58	38	143
Percentage of closed ASB cases that were successfully resolved	99%	96%	100%	88%
% Diversity Information : Age	100%	100%	100%	100%
Gender	100%	96.6%	99.6%	98%
Ethnicity	82%	93.4%	97.2%	75%
Disability	100%	96.1%	100.0%	75%
Sexuality	52%	48.1%	49.7%	55%
Religion or belief	53%	48.5%	50.3%	55%
Percentage of Stage 1 complaints upheld	40%	14%	17%	NA
Value for Money - Direct Costs per property				
Overhead per property	£ 274	£ 319		130
Major & Cyclical works	1100	1232		1200
Responsive Repairs	391	514		375
Void Repairs	166	164		150
Housing Mgt	277	259		250
Leasehold	134	152		150
Total staff turnover	5.9%	3.8%	8.9%	1.9
Ave. working days lost / sickness absence	18.9	18.1	30.0	
Satisfaction	Target (Median)			
Percentage of tenants satisfied with the landlord's services overall	88%			83%
Percentage of tenants satisfied with repairs and maintenance	87%			79%
Percentage of tenants satisfied that their views are taken into account	78%			64%
Percentage of tenants satisfied with the quality of the home	90			N/A
Percentage of residents satisfied with the neighbourhood as a place to live	84%			82%
Percentage of tenants satisfied that their rent provides value for money	90%			N/A
Percentage of tenants satisfied that their service charges provide value for money	81%			N/A
Housing Stock				
Houses	1284	1274	1263	
Flats	1245	1247	1231	
Bungalows	157	157	156	
Total Dwellings	2687	2678	2650	
Adelphi Court			12	
Total Dispersed /Temporary Dwellings	10	8	10	
Community Centres	5	5	5	
Leaseholds	204	205	208	
Garages	486	486	489	
Shops	20	19	19	
TOTAL PROPERTIES	3412	3401	3393	
Sold Property / Land	2012-13	2013/14	2014/15	2014/15
		£	£	
Houses	252,750	365,040	509,170	11
Flats	42,160	19,320	60,540	3
Bungalows			28,670	1
Land	0	0	3,000	1
TL	294,910	384,360	601,380	16

PLANNED INVESTMENTS 2014-15

SCHEME	CONTRACTOR OR SUPPLIER	AVAILABLE BUDGET	NO OF PROPERTIES (P) OR BLOCKS (B)	EXPENDITURE TO DATE	ESTIMATED START DATE	ESTIMATED COMPLETION DATE	CONTRACTOR	COMMENTS	Leasholders affected?
RE-ROOFING AND POINTING WORKS ROOSEGATE ESTATE (2-3 YEARS DELIVERY PLAN)	CUMBRIA HOUSING PARTNERS	£390,000	56 (P)	£ 563,339	16/06/2014	31.3.2015	DLP Roofing	100% COMPLETE	No
RE-ROOFING WORKS FLAT ORMSGILL ESTATE	CUMBRIA HOUSING PARTNERS	£132,000	20 (B)	£ 55,033	01/08/2014	31.3.2015	CUMBRIA ROOFING	100% COMPLETE	Yes
RE-POINTING/RENDERING DEVONSHIRE ESTATE	CUMBRIA HOUSING PARTNERS	£590,000	30 (P)	£ 10,562	01/08/2014	31.3.2015	DLP Roofing	30% COMPLETE	No
EXTERNAL DOOR REPLACEMENTS WINDOW REPLACEMENTS CENTRAL & WALNEY	CUMBRIA HOUSING PARTNERS (MATERIALS)	£60,000	100 (P)	£ 48,074	01/11/2014	Jan-15	BARROW CENTRAL JOINERY	100% COMPLETE	No
COMMUNAL ENTRANCE LIGHTING UPGRADES - CENTRAL	CUMBRIA HOUSING PARTNERS	£64,000	14 (B)	£ 15,055	01/10/2014	31.3.2015	K WILSON	100% COMPLETE	Yes
COMMUNAL ENTRANCE PAINTING - CENTRAL	CUMBRIA HOUSING PARTNERS	£30,000	14 (B)	£ 53,152	01/11/2014	31.3.2015	GEORGE JONES	100% COMPLETE	Yes
COMMUNAL ENTRANCE DOOR UPGRADES - ORMSGILL	CUMBRIA HOUSING PARTNERS	£120,000	18 (B)	£ 189,438	01/08/2014	31.3.2015	SS GROUP	100% COMPLETE	Yes
GARAGE IMPROVEMENTS	CUMBRIA ROOFING	£48,600	10 (B)	£ 82,172	01/04/2014	31.3.2015	CUMBRIA ROOFING	100% COMPLETE	No
REWIRES	CUMBRIA HOUSING PARTNERS	£150,000	120	£ 257,722	01/04/2014	31.3.2015	K WILSON	100% COMPLETE	No
BATHROOMS	CUMBRIA HOUSING PARTNERS	£410,000	200	£ 365,611	01/04/2014	31.3.2015	AB MITCHELL	100% COMPLETE	No
KITCHENS	CUMBRIA HOUSING PARTNERS	£200,000	100	£ 205,886	01/04/2014	31.3.2015	AB MITCHELL	100% COMPLETE	No
HEATING	CUMBRIA HOUSING PARTNERS	£525,000	200	£ 495,038	01/04/2014	31.3.2015	AB MITCHELL	100% COMPLETE	No
PAINTING	CUMBRIA HOUSING PARTNERS	£250,000	500	£ 149,966	09/06/2014	31.3.2015	G JONES	100% COMPLETE	Yes

HOUSING MAINTENANCE COMMITMENTS 2014-15

	Funding Available 2014-15	EXPENDITURE TO DATE	Weekly Available	Gross Comm. as a % funds available
Tenant Demand Repairs	£ 1,085,671	£ 997,280	£ 20,878	92%
Voids	£ 238,243	£ 541,194	£ 4,582	227%
Gas Servicing	£ 99,049	£ 191,297	£ 1,905	193%
Decoration Vouchers	£ 45,000	£ 24,170	£ 865	54%
Disrepair Claims	£ 15,000	£ 1,722	£ 288	11%
Environmental Impmts	£ 25,000	£ 24,545	£ 481	98%
Disabled Adaptations	£ 100,000	£ 161,108	£ 1,923	161%
Electrical Testing	£ 80,700	£ 62,010	£ 1,552	77%
Door Entry Maintenance	£ 20,000	£ 21,728	£ 385	109%

HOUSING MANAGEMENT FORUM	(D) Agenda Item 6
Date of Meeting: 27th August, 2015	
Reporting Officer: Colin Garnett, Assistant Director - Housing	
<p>Title: Asset Management Strategy 2015-2020</p> <p>Summary and Conclusions:</p> <p>The purpose of this Report is to recommend to Members a draft Asset Management Strategy (AMS) 2015-2020 and Asset Management Plan (AMP) for the Council's defined management areas.</p> <p>The purpose of the AMS is to provide direction for future investment in the housing stock and ensure such investment has regard to operational factors to manage it appropriately.</p> <p>Recommendations:</p> <p>Members are recommended to:</p> <ol style="list-style-type: none"> 1. note the contents of the AMS; and 2. agree the Asset Management Strategy 2015-2020 and resultant Asset Management Plan. 	

Report

The purpose of this Report is to recommend to Members a draft Asset Management Strategy (AMS) 2015-2020 and Asset Management Plan (AMP) for the Council's defined management areas.

The purpose of the AMS Strategy is to provide direction for future investment in the housing stock and ensure such investment has regard to operational factors to manage it appropriately.

As you are aware, the Housing Service has recently completed a Stock Condition Survey in 2014. This data has now been analysed and albeit there remains some decent homes failures to be resolved, is complete.

Our previous Asset Management Strategy 2010-2015 is now out of date. Officers have, therefore, updated the AMS a draft of which is attached at **Appendix A**.

The Strategy seeks to link the data collected through the Stock Condition Survey with other characteristics of the stock to ensure we only direct investment to property which is sustainable or more importantly, in this instance, to identify where additional management intervention may be required to maximise the value of the investment.

In short, we have used our existing sustainability model to look at: tenancy data; requisition data; stock condition date and location data. This information is used to calculate a sustainability score.

A Summary of Sustainability Results is shown on page 13 of the AMS.

The results demonstrate the stock is 'sustainable' but there are areas which may pose specific problems.

From the AMS a series of five AMPs have been developed for the Central, Dalton, Ormsgill, Roosegate and Walney management areas.

For the sake of economy, I have not attached the AMP, but this is available in the Members' Room or can be viewed online via the following link: http://www.barrowbc.gov.uk/_resources/assets/attachment/full/0/7819.pdf

The principles on which these plans have been developed are taken from the draft AMS and are as follows:

AMS Vision: *"Provide well-maintained estates where people choose to live".*

AMS Aims: *To achieve our vision we will ensure:*

- *We deliver maintenance services to the standards agreed with our customers.*
- *Our stock and public spaces is maintained in good, safe and lettable condition.*
- *We meet our statutory, regulatory and contractual obligations.*
- *We use short-term and long-term assessments to plan and deliver our services.*
- *We engage and empower our customers to be involved in all decisions.*
- *We ensure equality and diversity is at the forefront of service delivery.*
- *We make the best use of the resources available.*
- *We ensure effective performance through evaluation of best practice.*

AMS Priorities:

- *Ensure properties are safe, energy efficient and weatherproof.*
- *Investments are prioritised on a just in time and worst-first basis.*

The Strategy also identifies key risks for the service over the length of the Strategy which have been agreed corporately.

The details contained in the AMP will be used to direct the Annual Investment Plan which is agreed through your annual budget process.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications.

(iv) Health and Safety Implications

The recommendation has no detrimental impact the built environment or public realm.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

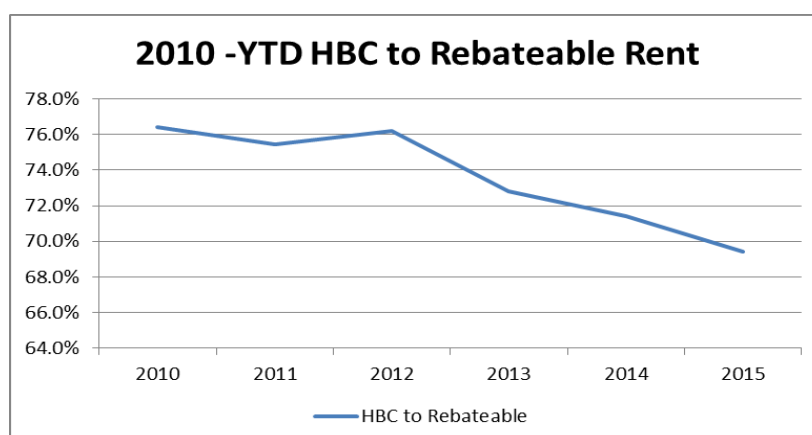
Nil

HOUSING MANAGEMENT FORUM	(D) Agenda Item 7
Date of Meeting: 27th August, 2015	
Reporting Officer: Colin Garnett, Assistant Director - Housing	
<p>Title: United Utilities Reward Scheme Review</p> <p>Summary and Conclusions:</p> <p>In November 2012 members agreed to the introduction of a water charge collection scheme. The scheme provided a range of benefits to both Tenants and Council.</p> <p>The scheme has been running for just over 2 years and there is now sufficient information to review progress, check that the scheme is delivering the intended benefits and decide whether or not to continue to scheme.</p> <p>Recommendations:</p> <p>Members are asked to:</p> <ol style="list-style-type: none"> 1. note the information in the Report; and 2. agree we continue to collect water rates with a view to reviewing the arrangement in two years. 	

Report

In 2012 when the scheme was proposed two-thirds of our tenants received full housing benefit which was paid directly to their rent account. They had no experience of paying rent or service charges and we had limited knowledge of their financial circumstances, their attitude to debt and whether they had either the means or the inclination to pay.

The various welfare reforms have reduced benefit entitlements significantly since 2012-2013 from a high of 76% to around 70% as shown in the chart opposite.



When Universal Credit is fully introduced experience suggests tenants will find paying their rent in full and on time very challenging. The Council needed to create a 'payment culture' and to be ready so that rent collection is maximised and the losses to rental income are mitigated.

The United Utilities scheme offered; the experience for officers to collect payments from every tenant, understand and improve the tenants' ability to budget and make payments, the funding for a Money Management Advisor and the opportunity to help vulnerable tenants' reduce their charges with United Utilities to offset some of those benefit reductions.

Projected Benefits	Actual Benefits at 30 June 2015
£10 incentive discount per customer	£81k
£32 per property collection fee per annum	£263,888
Commission Income at 8%	£310,696 commission income at 12.5%
£5.00 discount to tenants to encourage Direct Debit payments (260)	Direct Debit now 768 discounted by £8,785 (1166 across all rent groups)
£30k funding for Money Management Advisor to help with water charge assessments and support tariff applications	<ul style="list-style-type: none"> • Post funded from commission monies • 19 successful applications received £6,000 to clear previous debts • 25 applications in progress • 509 tenants converted to lower Tariffs annual charge down by average £200 • £199k* since the scheme started
Opportunity for our Housing Officers to offer customers advice on the benefits of changing to meters	Not adopted -meters remain on the property for life and may penalise future tenants
Ability to pay more flexibly (weekly, fortnightly or monthly) together with their rent	Rent & water can be paid in a single transaction to a single account
Flexible payment methods and frequencies	Enabled DD to become 'paperless' with fortnightly, monthly & 4 weekly dates offered to all council tenants
Over 3 years gross £452,636	£574,579*

(*to year end March 2016)

- Tenants who receive full Housing Benefit and who have not made any payment to their account from the scheme start date is 31 and there were 182 who had not made any payments to their account in the first quarter

- Increase in arrears since April 2013 is estimated at £302k at 10/8/15 but it is not possible to pin down the actual amount of unpaid water charges because of the following notable changes
 - £81k is the theoretical debt carried from increased Direct Debit monthly/4weekly payers
 - £116k is attributed to tenants under occupying
 - £27,581 is attributed to the 31 Tenants moved to Universal Credit –their accounts are all in arrears
 - £60,636 has been added to accounts for Recharges and Court costs

There will be some crossover in these groups

Water Charge Summary		15-16 Charges *	14-15 Charges	13-14 Charges	TOTALS
ACTUAL YTD	Unit		Actual	Actual	
Actual Charges*	2671	£797,837.44	£792,810	£866,760	£2,457,408
		£797,837	£792,810	£866,760	£2,457,408
Fee per property average	£32.77	£89,505	£88,169	£86,208	£263,883
Commission average	12.64%	£101,311.83	£101,040	£108,345	£310,696
Net sales		£607,020	£603,601	£672,207	£1,882,829
Income		£190,817	£189,209	£194,553	£574,579
Actual Gross Debit WK 52/3	2671	£788,897	£787,047	£871,557	£2,447,501
Void Loss		£11,345	£14,066	£13,446	£38,857
Net Debit		£800,242	£801,113	£885,003	£2,486,358
Net Deficit/Surplus		£193,222	£197,512	£212,795	£603,529
Average annual charge		£298.7	£295.4	£321.7	

* Subject to reconciliation at year end to be shown in May Invoice

Housing officers have found the work hard but have made good progress in reaching out to and engaging with all tenants and as result we have 2,466 making payments to their accounts in the first quarter of the year.

IT Systems have been developed and processes have improved to monitor tenants' accounts. Those considered most at risk are prioritised.

In conclusion, the results indicate that the scheme is delivering the benefits it promised and overall I would recommend that the scheme continues because experience has demonstrated financial benefits to tenants and the HRA and will ensure we maintain a regular dialogue with all tenants.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has minor implications.

(iii) Financial Implications

The recommendation mitigates future losses to the HRA.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has little impact on users with disabilities and Furness Equality and Diversity Partnership will be consulted.

(vi) Health and Well-being Implications

The recommendation has no impact on the Health and Wellbeing of users of this service.

Background Papers

Nil

HOUSING MANAGEMENT FORUM	(R) Agenda Item 8
Date of Meeting: 27th August, 2015	
Reporting Officer: Colin Garnett, Assistant Director - Housing	
Title: Gas Maintenance & Responsive Repairs Contract	
Summary and Conclusions:	
The purpose of this Report is to re-affirm the term of the recently awarded Gas Maintenance and Responsive Repairs Contract.	
Recommendations:	
Members are asked to confirm the term of the Contracts as three years, plus one year with potentially a further six years with two yearly break clauses.	

Report

At your meeting on 11th June, 2015 you recommended the appointment of Sure Group to complete gas works and Hughes Brothers to complete fabric repairs.

On the drafting of the report I recommended appointing for four years and a further six years with two-yearly break clauses.

However, on the advertising and selection of potential new contractors we had advertised the Contract on the basis of three years, plus one year with potentially a further six years with two yearly break clauses.

Unfortunately, it was a 'drafting' error which led to the wrong time period being included in your report of 11th June.

I would therefore ask Members to confirm the original time frame of three years, plus one year with a potential of a further six years with two year break clauses by confirmed.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

HOUSING MANAGEMENT FORUM	(D) Agenda Item 9
Date of Meeting: 27th August, 2015	
Reporting Officer: Colin Garnett, Assistant Director - Housing	

Title: Gas Maintenance Contract

Summary and Conclusions:

The purpose of this Report is to update you on discussions with the newly appointed Gas Maintenance Contractor and seek your approval to introduce new arrangements for the Reporting of gas breakdowns, repairs and the co-ordination of annual gas servicing.

Recommendations:

Members are asked to agree Officers continue to mutually agree with the new Contractor to:

1. Become the first point of call for tenants to report gas breakdowns or repair requests
2. The Contractor to take responsibility for scheduling, coordination and arranging appointments to complete annual gas servicing.
3. The arrangement be reviewed after a period of six months to either confirm the new working arrangement or resort back to current practice

Report

The purpose of this Report is to update you on discussions with the newly appointed Gas Maintenance Contractor and seek your approval to introduce new arrangements for the Reporting of gas breakdowns, repairs and the co-ordination of annual gas servicing.

At your meeting on the 11th June 2015 you recommended to the Council the appointment of Sure Group to deliver the Council's Gas Contract. The Contract covers the annual gas service, responding to breakdowns and all associated gas related repairs required in delivering the Housing Service.

Officers are currently in discussion with the Contractor to ensure a transition from the existing Contractor to Sure Group on the 5th November 2015.

During these discussions Sure Group have made suggestions on how they could improve the efficiency and the level of service provided to tenants.

In short this includes:

- They take responsibility for the co-ordination of gas servicing directly with tenants, including agreeing appointments.
- Offer the opportunity for tenants to report breakdowns or faults directly to them as the Contractor.
- The Contractor, whilst establishing a base within the Borough, would look to co-ordinate the above activity from their call handling facility in Merseyside.

It has been our practice historically to directly manage these aspects of the service.

However, from a service delivery perspective I could see the above potentially leading to improved customer satisfaction by simplifying the process enabling the customer to talk directly with the Contractor to explain the defect and then agree a mutually convenient appointment.

I can also see the benefits to the Contractor in allowing them to directly receive and communicate with a tenant as this potentially reduces the amount of call handling in the process and enables them to directly organise their resources and arrange access with the tenant.

However, it will require the Housing Service to set up a dedicated Gas breakdown and servicing hotline so in practice we would then be publishing “two” reporting numbers which will possibly take a little time to be promoted to all tenants. I would propose this will include ensuring the agreed published number remains charged at a “local call rate” and could include labelling boilers during routine servicing to direct tenants to the Contractor for reporting faults or arranging access.

From a landlord perspective, gas in the home is a hazard. We are focussed on ensuring we achieve 100% compliance in annual services and that such servicing and any repairs are completed to the relevant standards. We have and continue to maintain a 100% record on annual services.

Should it be agreed to progress this opportunity it would remove some of the administration currently under taken within the Housing Service and we would look to develop our checks and balances to ensure we validate the delivery of gas services to our agreed standards.

This would include continuing to deal with those tenants who are not co-operative in allowing access to the Contractor following agreed procedures to gain access and any resultant recourse to legal means to resolve.

I am confident we will be able to put in place the necessary checks and balances and subject to mutual agreement would aim to have the arrangements in place by the commencement of the Contract or as soon as possible afterwards.

I would propose we do so for an initial period of six months following which the success of the changes be reviewed.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no implications.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

HOUSING MANAGEMENT FORUM	(D) Agenda Item 10
Date of Meeting: 27th August, 2015	
Reporting Officer: Colin Garnett, Assistant Director - Housing	
Title: Scrutiny of Void Standard Policy and Procedures	
Summary and Conclusions:	
The purpose of this report is to provide you with an update on the Scrutiny of the Void Standard Policy and Procedures.	
A report went to the HMF in August 2014 with the final draft of the Policy and Procedures and Members were asked to note the four-stage scrutiny process. Stage 4 of the process is Implementation and Review. Members of the Tenant Scrutiny Working Party have now had the opportunity to view properties which have been upgraded to the new void standard and reviewed as deemed appropriate.	
Recommendations:	
Members are asked to note the content of the Report and completion of the scrutiny into void standards.	

Report

As you will be aware the Tenant Scrutiny Working Party reviewed the void standard as part of the scrutiny process last year. The final stage of the process is 'Implementation and Review'.

A copy of the agreed standard can be viewed online via the link:
http://www.barrowbc.gov.uk/_resources/assets/attachment/full/0/7818.pdf

Members of Tenant Scrutiny Working Party have now had the opportunity to view properties which have been upgraded to the new 'Void standard'. In general Members of the group were in agreement the standard of properties had significantly improved which, in turn, had assisted in the letting of properties with fewer refusals. It was noted:

- The re-decoration of properties left in poor condition had been a success.
- Prospective tenants are now given a copy of our booklet '*Moving in Standard*' which has been well received and a good resource for staff and prospective tenants to measure all work has been completed.

- A few minor issues were picked up which the Maintenance and Asset Manager will follow through and discuss with colleagues the importance of ensuring the outside of the property is left to the same standard as the internal condition.

This review concludes the Scrutiny of the Voids Standard.

The next area which will be reviewed by the Tenant Scrutiny Working Party is the Tenancy Agreement. At present there is new information emerging around fixed-term tenancies therefore whilst the group will commence the review it will be lead by information being available to feed into the scrutiny process. A further report will be brought to HMF once the review has been completed.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Online link to new Void Standard:

http://www.barrowbc.gov.uk/_resources/assets/attachment/full/0/7818.pdf

HOUSING MANAGEMENT FORUM	(D) Agenda Item 11
Date of Meeting: 27th August, 2015	
Reporting Officer: Colin Garnett, Assistant Director - Housing	

Title: Promotion of Properties to Let

Summary and Conclusions:

The purpose of this Report is to seek agreement to use “third party” arrangements to promote the availability of specific property when conventional means of doing so appear to be ineffective. The Report is not about changes to the Allocation Policy but rather the means by which we attract potential new tenants.

Recommendations:

Members are asked to:

1. note the content of the Report and comments concerning the demand for two bedroom properties predominantly on the Ormsgill estate;
2. agree the use of Facebook and alternative advertising mediums to promote the availability of property when conventional arrangements do not appear to do so; and
3. agree that such properties are re-let outside the CBL process when it is clear there is no demand from any registered applicants.

Report

The purpose of this Report is to seek agreement to use “third party” arrangements to promote the availability of specific property to let were conventional means of doing so appear to be ineffective. The Report is not about changes to the Allocation Policy but rather the means by which we attract potential new tenants.

As you will be aware the Council has an agreed Allocation Policy to determine the priority of applicants who apply for accommodation. The selection of a potential tenant is progressed through a Choice Based Lettings (CBL) process which involves vacancies being advertised on a weekly basis and any applicant who is interested in the property registering an interest. Determining priority between applicants is then made in accordance with the agreed Banding system.

The policy and use of a CBL is adopted by the majority of social landlords throughout Cumbria.

The CBL process generates sufficient numbers of tenants for the majority of vacancies that arise. However in the case of two bedroomed flats predominantly on the Ormsgill estate this has not been the case and we are more frequently experiencing no apparent demand through the agreed CBL process.

I would add the problem is predominantly limited to the Ormsgill estate, and only two bedroom flats. Below is a table which provides details of the number of two bedroom flats in the Borough and the number that became vacant in the last financial year.

AREA	Two-bedroomed flats	
	No. flats	Became vacant
Abbotsmead		
Central	7	1
Dalton	12	1
Farm Street		
Greengate	16	2
Griffin	31	3
Hindpool	45	5
Newbarns	35	4
Ormsgill	130	29
Roosegate		
Vulcan	11	2
Walney	16	3
Total	303	50

It can be seen the largest majority of two bedroom flats are located in Ormsgill, 42% of the total, and of two bedroom flats becoming vacant, 58% where on Ormsgill.

Subjectively there maybe a number of reasons for this problem including location and the type of property but it appears to have become a more significant issue since the introduction of bedroom tax. Whilst it has been a long held practice to offer applicants property which reflected their family composition, it has also been

the case that were such was not possible we would adopt a flexible approach in the interest of ensuring properties were re-let. In short it would not have been uncommon to offer a 2 bed flat on Ormsgill to an applicant who only required a one bedroom. This option is still discussed with applicants who require one bedroom, but often they are unable to afford to pay the bedroom tax and as such the option is financially viable for the applicant.

In terms of demand generally this appears buoyant with 430 applicants on CBL applying for two bedroom accommodation. In the longer term further work may be required to consider options open to the Council to increase the demand for two bedroom flats on Ormsgill but I would suggest there are short term measures we can progress more quickly, at limited cost, which may help to improve the position.

For example:

- More recently we have looked to promote property through social media, in particular Facebook. This has led to some success in attracting applicants who have not previously applied for accommodation through the more conventional route. This is in it's infancy but I would suggest is an appropriate way of attempting to attract potential new tenants.
- Considering the option of advertising property through other online agencies or service providers.

In considering the above, our objective would be to identify an interest in property perhaps from residents who may not previously considered Council accommodation as an option.

Should the above action achieve the objective, I would also propose the Council agree to such properties being re-let outside the CBL process should it be the case no potential residents are identified through the CBL process.

I add in considering the above I would suggest there needs to be a balance between achieving the objectives of the CBL process and recognition the delays in re-letting vacant property has a financial implication to the HRA, and "social" cost to a community and would ask Members to agree these recommendations.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications.

(iv) Health and Safety Implications

The recommendation has no detrimental impact the built environment or public realm.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

HOUSING MANAGEMENT FORUM	(D) Agenda Item 12
Date of Meeting: 27th August, 2015	
Reporting Officer: Colin Garnett, Assistant Director - Housing	

Title: Provision of Temporary or Interim Accommodation for Homeless Families

Summary and Conclusions:

The Council has a responsibility through the homeless legislation to provide temporary or interim accommodation in certain circumstances. The Council seeks to recover the cost of provision from the particular resident through rent charges. The purpose of this Report is to highlight that Welfare Reform changes are likely to have a detrimental impact on the Council's ability to recover the rent charges and to prompt a review of our temporary accommodation arrangements.

Recommendations:

Members are asked to:

1. note the content of the Report and the likely impact for rent recovery; and
2. agree a review of arrangements for the provision of temporary or interim accommodation be carried out and to report further on future options.

Report

The Council has a responsibility through the Homeless Legislation to provide temporary or interim accommodation in certain circumstances. The Council seeks to recover the cost of provision from the particular resident through rent charges. The purpose of this Report is to highlight that Welfare Reform changes are likely to have a detrimental impact on the Council's ability to recover the rent charges and to prompt a review of our temporary accommodation arrangements.

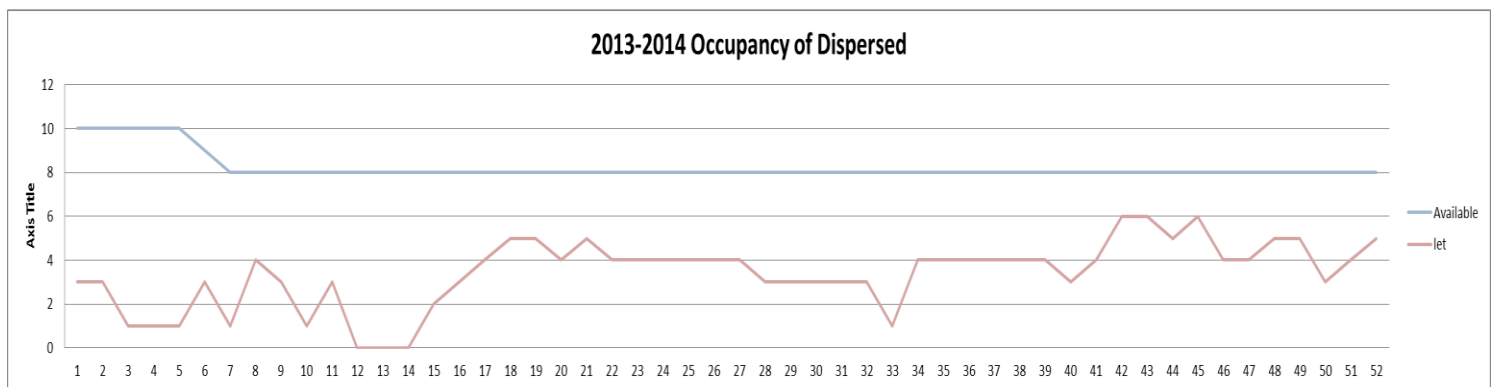
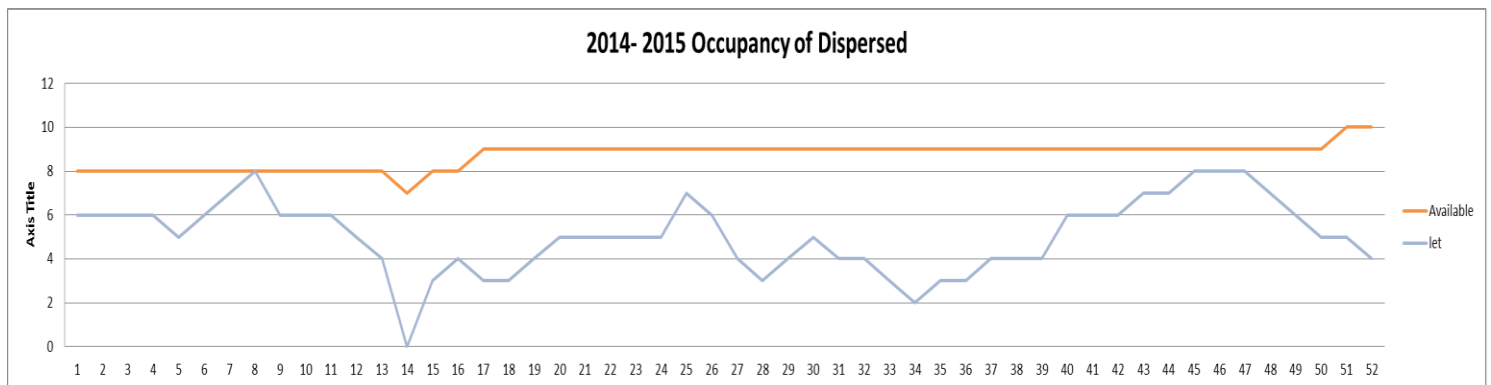
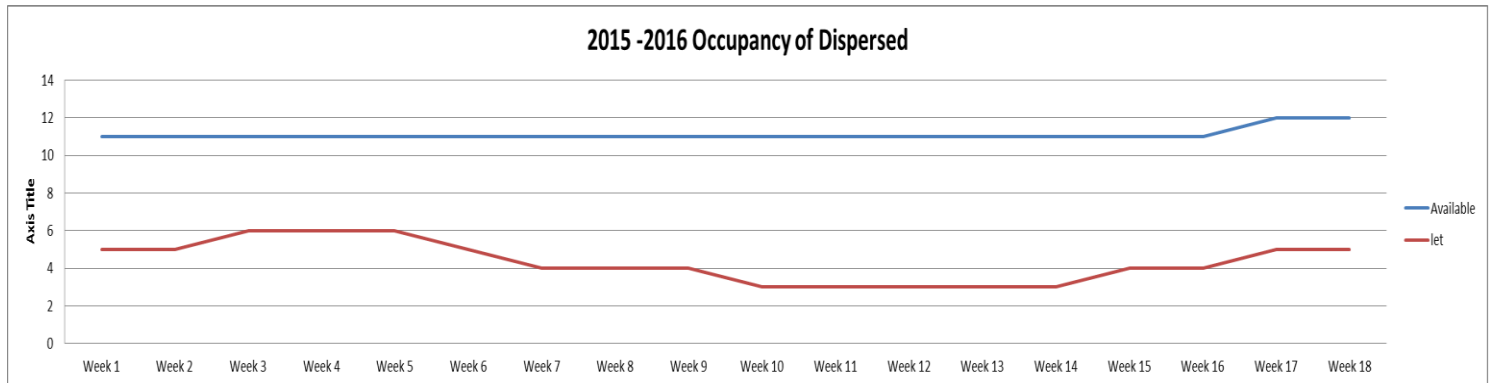
The Housing Service is responsible for providing the Council's statutory homeless service. Our approach over a number of years has been to focus on 'prevention' to avoid homelessness and resolve residents' housing predicaments before they lose their home.

However, in certain circumstances, it is necessary to provide what is referred to as 'temporary' or 'interim' accommodation. It is our normal practice to meet this

responsibility by either use of B&B, predominantly for single people, or by making a furnished excluded licensed property available within the Council's normal housing stock.

The Housing Service maintains an average of 11 properties designated for this purpose. They are furnished to an acceptable standard to enable a resident to move in immediately.

The graphs below provide details of the number of residents in such accommodation at any one time.



Whether B&B or temporary accommodation is provided, we seek to recover the cost of provision. In the majority of instances, the people concerned are dependent on benefits which means we seek to recover costs from Housing Benefit. In the case of B&B, the maximum charges are determined by guidance, which can often leave a small residual amount that is not recovered. Should it be

temporary accommodation in our own stock we would look to recover the rent, plus a management charge and furniture charge which amounts to:

	One Bed	Two Bed	Three bed
Rent	£70.99	£79.73	£89.04
Furniture	£39.00	£44.00	£49.00
Water	£5.00	£5.00	£5.00
Energy (Gas & Elect.)	£6.24	£6.76	£7.00
STM	£2.95	N/A	N/A
Total weekly rent charges	£124.18	£135.49	£150.04

In the latter instance this can result in recovering the full cost of residence.

The cost of B&B is met by the Council's General Fund whilst the temporary accommodation is within the HRA.

This model of provision has been in place for many years.

However, changes introduced by Welfare Reform will potentially impact on the Council's ability to recover charges or rent from individuals.

For example, focusing on temporary accommodation, the current model of provision will not be defined as 'specified' under the new guidance and, as such, an occupier will not be able to claim Housing Benefit. Instead, their housing costs will be included in any claim for Universal Credit. This will also be the situation for residents in B&B.

Considering the practical delivery of homeless accommodation generally, this has a number of implications. In the first, should an individual be a new claimant on Universal Credit, they may have moved on from such accommodation before the Universal Credit is determined, probably making it very unlikely in practice the Council will recover the cost of provision. This is particularly the case for residents in B&B, but is not less a concern in temporary accommodation.

At the present time, it is difficult to predict the likely implication, but in either instances it will mean the differential between cost of provision and rent recovered increasing.

At the present time I am looking to discuss the implication with other Cumbrian authorities who use a similar model of provision also seeking advice from Homelesslink. However, there does not appear a straightforward means to avoid the issue.

It would be difficult to assess the likely loss of rental income at the present time, but I am concerned our ability to recover rent within the Universal Credit process will be very challenging.

The table below shows the total cost of providing temporary accommodation of the service over the last five years. Row (1) is the total cost after income received has been credited. Row (2) is the total cost it would have been had we received no

income which would be the worse-case scenario with the introduction of Universal Credit.

Dispersed & B&B Temporary Accommodation year on year review							
		2010-11	2011-12	2012-13	2013-14	2014-15	TOTAL
	Temporary Accommodation	£38,113	£19,421	£47,947	£30,736	£33,891	£170,109
	HB Recoverable Charges	-£20,984	-£14,983	-£38,998	-£20,847	-£26,895	-£122,706
	Net Cost to council	£17,129	£4,438	£8,949	£9,889	£6,997	£47,402
	Dispersed Accommodation						
	Debits	£39,556	£47,626	£45,649	£23,896	£31,312	£188,039
	Income	-£25,191	-£28,000	-£34,609	-£15,209	-£24,990	-£127,999
	loss	£14,365	£19,626	£11,040	£8,687	£6,322	£60,040
	void loss	£20,454	£13,857	£28,177	£31,566	£25,357	£119,411
	% void loss of debit	34.1%	22.5%	38.2%	56.9%	44.7%	38.8%
	Total debit	£60,010	£61,483	£73,826	£55,462	£56,669	£307,450
(1)	Total cost of providing temporary accommodation	£51,948	£37,921	£48,166	£50,142	£38,676	£226,853
(2)	Total cost of providing temporary accommodation with no income received	£98,123	£80,904	£86,673	£86,198	£90,561	£442,459

In the immediate future, I will look to review the number of properties currently designated for temporary accommodation. From an operational perspective, it is important to maintain a sufficient number of properties to reflect demand. To not have 'available' property at all times would impose additional pressures in providing the service. However, by monitoring usage against availability on a regular basis, I hope to achieve a reduction in numbers and cost of provision. This will, however, not resolve the fundamental problem and it is important we consider the future options for how the Council fulfils this responsibility and limits the financial risk.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

It is difficult to accurately quantify the likely financial impact. It is likely, however, our ability to recover the charges for such accommodation will become more difficult.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil



BARROW BOROUGH COUNCIL

HOUSING SERVICE



2015 - 2020

Asset Management Strategy

Endorsed and agreed



by our Customers

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ASSET MANAGEMENT STRATEGY

1.0 CONTEXT

This Strategy sets out our long-term approach to managing the Council's housing assets to ensure we meet the present and future needs of our communities. This includes planning for ongoing repairs and improvements as well as reviewing and changing the property portfolio to meet local circumstances. We will achieve this through;

- **Effective analysis of stock data;** to assess the current condition of our assets.
- **Effective procurement;** to ensure we deliver value for money.
- **Effective planning;** to ensure we deliver improvements on a *"just in time"* basis.
- **Effective business planning;** to assess the financial integrity of our investment plans.

Our Strategy contains five estate based asset management plans. Each plan includes a range of local priorities that have been agreed with our customers to reflect issues that may affect sustainability of the stock or the local community.

Estate based asset management plans contain a **"Golden Thread"** that aims to achieve **excellent customer experience** through the appointment and retention of **excellent local or regional contractors** capable of delivering **high quality improvements and services** in line with our **vision and service standards**.

2.0 PURPOSE

Our asset management strategy provides detailed information about our communities and the likely impact economic and social factors have on the sustainability of our estates. Our short-term estate based asset management plans contain a five year investment plan that have been developed using robust stock condition information to reflect the needs of our mixed tenure communities. We aim to deliver improvements based on unexpired component life. Advanced I.T. reporting systems help us deliver maintenance on a **'just in time'** and **"worst first"** basis.

Of the 4 key priority areas set out in the Councils *"2013 – 2016 Priorities Plan"*, housing; regeneration, local economy and service delivery have clear and defined links to this asset management strategy. These priorities are intended to deliver tangible benefits to the community and are headline issues for the Council and its staff. The priorities specific to housing include;

- *Bring empty properties back into use*
- *Improve the choice and quality of properties in the Town Centre*
- *Adopt the Council's Local Plan*
- *Maintain decent home standard for the Council's housing stock*

3.0 VISION

Our vision is to; **"Provide well maintained estates where people choose to live"**

4.0 AIMS

To achieve our vision we will ensure;

- *We deliver maintenance services to the standards agreed with our customers.*
- *Our stock and public spaces is maintained in good, safe and lettable condition.*
- *We meet our statutory, regulatory and contractual obligations.*
- *We use short-term and long-term assessments to plan and deliver our services.*
- *We engage and empower our customers to be involved in all decisions.*
- *We ensure equality and diversity is at the forefront of service delivery.*
- *We make the best use of the resources available.*

- *We ensure effective performance through evaluation of best practice.*

5.0 SUMMARY AND CONCLUSIONS

Following a detailed review of the Council’s housing assets during 2014 we recognise that traditional Council owned housing estates have given way to communities with mixed tenures. We understand that our communities now contain a varied mix of tenants, owner occupiers and leaseholders and as such, our Strategy focuses on the long-term sustainability of these assets to ensure we make investments that maintain sustainability and underpin community cohesion.

5.1 SUSTAINABILITY

In general terms ***social housing in Barrow is classified as sustainable***. There are however a number of concerns regarding the age and demography of new tenancies as they appear to have the potential to unbalance the sustainability of some estates. These problems relate to high density areas of one bedroom flats on estates in Ormsgill and Central.

In drawing up this Strategy we have looked at a range of statistics and data. This data forms the building blocks of our “sustainability model”. The model provides a clear and transparent framework for decision-making and allows investment priorities to be based on the traffic light theory. ‘Green for Go’; ‘Red for Stop’ and ‘Orange for investment caution’.

Full details of our sustainability model are shown in **section 6.0**. The outcomes are shown in the table below. (Maximum sustainability score for each estate is 100 points)

	CENTRAL	64	SU STAINABLE WITH SPECIFIC PROBLEMS
	DALTON	91	SU STAINABLE AND POPULAR
	ORMSGILL	63	SU STAINABLE WITH SPECIFIC PROBLEMS
	ROOSEGATE	73	SU STAINABLE BUT LESS POPULAR
	WALNEY	84	SU STAINABLE AND POPULAR

We have concluded that that the quality and condition of the stock is good. This is perhaps best shown by the number of non-decent dwellings as they presently account for less than 3% of the stock.

The challenges facing the housing service in the short to medium term appear to have little to do with basic design or construction of the dwellings. Wider social issues such as deprivation, anti-social behaviour and the impact unsustainable short duration tenancies appear to be having a greater influence on estate perceptions and community cohesion.

Our research shows that areas where there exists a high concentration of one bedroom flats are noted “black spots” that may if left undermine community cohesion. We believe this perception has direct links to the age and demographic profile of new tenants. High levels of deprivation, worklessness and a lower than average length of tenancy is also impacting on the desirability of these cluster blocks within our Ormsgill and Central estates. Further independent sustainability studies will be carried out for all areas classified as “*sustainable with specific problems*”.

5.2 DECENT HOMES

The Council maintained its Decent Homes target between 2010 and 2015 by upgrading the 32 properties identified as non decent in the 2010 stock condition survey. A further survey of the stock was conducted in 2014 and identified 76 newly arising failures (2.84% of the stock).

The 76 properties presently failing the standard will be re-surveyed and where necessary repaired during 2015. A budget of £76,000 has been set aside for this investment need.

5.3 STOCK CONDITION

The 2014 stock condition survey confirmed *“there is clear evidence that investment has been made in the stock over recent years”*. We believe this is primarily due to our *“proactive maintenance regime”* that focuses on the following jointly agreed priorities;

1. Ensure properties are **“safe, energy efficient and weatherproof”** and
2. Ensure Investments are prioritised on a **“just in time”** and **“worst first”** basis.

5.4 INVESTMENT PRIORITIES

The results of the 2014 stock condition survey form the basis of our short, medium and long term Investment priorities. The report indicates a total cost of £66,968,114 will be required over a 30 year investment profile. This level of investment suggests average investment of around £24,988 per property. This equates to an annual average of around £832 per property. The cost to improve the 76 non decent homes is estimated to be £76,000.

Our 30 year Business Planning model assesses the financial viability of the housing service and incorporates the findings of the 2014 stock condition survey. The model considers wider issues regarding responsive repairs, voids and gas servicing as well as current and future demand predictions for the stock. We aim to maximise our investment opportunities by ensuring;

- Our policy is to; ***Achieve and maintain a 60% (capital investments) and 40% (revenue investments) split of our revenue funded investment budget.***

5.5 CAPITAL INVESTMENTS

During 2014 the Council became members of a regional network of housing providers whose aim is to collaboratively purchase materials and labour for housing projects. The group are known as Cumbria Housing Partners (CHP) and their vision is to ***“deliver collaborative and effective procurement practices, in order to maximise value for money, for the benefit of our customers, our businesses and the wider economy of Cumbria.”***

Independent benchmarking of the Councils capital costs for investments delivered via CHP between 2008 and 2013 show that delivery costs have reduced by 19.44%. This is based on a total nett spend of £7.4m over this period. Delivery through CHP also offers additional benefits linked to social enterprise initiatives. To date CHP and its member landlords have successfully recruited 95 trainees. 65% of these trainees have been recruited from landlord properties. In addition, additional funding of £3.5m has been created within CHP with regard to 32 Sense of Place projects. Their aim is to generate joint funded local improvements for communities within Cumbria. As a result of the independent benchmarking of CHP costs and its community benefits the following target has been set for the period 2015 to 2020;

- Our policy is to; ***Deliver 70% of capital improvements delivered between 2015 and 2020 via the CHP framework.***

5.6 REVENUE INVESTMENTS

Revenue funded investments includes responsive repairs, gas servicing and void property management. Traditionally, these services have been delivered using a single contractor capable of undertaking all aspects of service delivery.

The independent benchmarking exercise completed in 2015 suggests there is opportunity and scope for CHP members to introduce long term contracts for these elements. This

proposal seeks to offer the Council additional cost savings and associated benefits shown in 5.5 above. As a result of the independent benchmarking of CHP costs and its community benefits the following target has been set for the period 2015 to 2020;

- Our policy is to; **Deliver 10% of revenue improvements delivered between 2015 and 2020 via the CHP framework.**

5.7 HOUSING DEMAND

Our Business Planning model helps forecast anticipated demand for the stock. The model looks at current demand and sales and aims to predict future trends over a 30 year period.

The Business Plan indicates that the continuing sale of the Council's "prime" properties under the RTB scheme is likely to continue over the next five years. As a result stock numbers are expected to reduce by around 18 to 20 properties each year.

Our Strategy looked at our existing customer profile and examined new customers moving into Council housing in recent years. This study identified a significant shift in the profile of new tenants within the social housing sector.

The trend of single people seeking Council accommodation is expected to continue over the next 5 years. The expected impact a sustained shift in tenancy demography has on the housing service in the longer term is likely to result in the following additional requirements;

- An overall increase in the number of supported tenancies within the borough
- An overall increase in reported incidents of anti-social behaviour

This may require the introduction of a "Tenancy Policy" to outline the varying support needs of this expanding client group. Enhanced support packages may be required to allow single people to fully integrate into our communities and live independent lives. The table below shows a summary of new tenancies split between single people with families, couples and single people with no family.

YEAR	TOTAL NEW TENANCIES	TOTAL NEW COUPLES	% OF TOTAL	TOTAL NEW SINGLE WITH FAMILY	% OF TOTAL	TOTAL NEW SINGLE (ONLY)	% OF TOTAL
2010	316	62	19.62%	68	21.52%	176	55.70%
2011	298	53	17.79%	72	24.16%	158	53.02%
2012	264	61	23.11%	78	29.55%	125	47.35%
2013	289	62	21.45%	87	30.10%	135	46.71%
2014	372	84	22.58%	114	30.65%	170	45.70%
2015	302	55	18.21%	72	23.84%	161	53.31%
	1841	377	20.48%	491	26.67%	925	50.24%

5.8 BUSINESS RISKS

We have assessed the potential risks facing the housing service over the next five years. This involved looking at events or actions that may impact on our ability to deliver the service objectives and strategies. The review identified two key areas:

- **Strategic risks;** exist or emerge from the general management and delivery of political and macroeconomic activity within the borough
- **Housing sector risks;** exist or emerge from national and local trends or uncertainties that shape the boroughs housing markets

A summary of the risks affecting the service are shown in tables 3 and 4 overleaf

STRATEGIC RISKS (Items in **BOLD** relate to Housing Sector Risks)

Threat	Potential impact			Mitigating actions	Responsible Officer	Potential impact				
	Likelihood	Impact	Score			Likelihood	Impact	Score		
C1	Impact of changes to the benefit system on income for the housing Department	5	5	25	<p>75% of the Services income is received through Housing Benefit. At 2012 rents this equated to £7.1m. Of the 2700 tenancies 2039 receive help with their housing cost through Housing Benefit. The introduction of Universal Credit and changes to how tenants receive support with housing costs, including no direct payments to landlords, poses a risk to the Services income. The loss of housing benefit for under occupation of bedrooms is also having an impact on tenants.</p>	<p>A six point plan will be progressed to mitigate the risk focusing on the introduction of Universal Credit, new under-occupation rules, changes to non-dependant deductions and a Communication Plan.</p> <p>The Service has recently reviewed its Income Strategy. It will operate a firm but fair approach to assist tenants during the changes whilst ensuring rents due are collected.</p> <p>A new post has been created to assist with income recovery it is anticipated that this post will be cost neutral.</p> <p>Housing officers carry out a pre-tenancy interview to understand who their customers are and how it will be best to engage with them in the future.</p>	Assistant Director - Housing	5	4	20
C2	Future financial stability and sustainability of the Council.	5	5	25	<p>Without sufficient funding plans discretionary services may be at risk of reduction or closure.</p> <p>Statutory services may be delivered with reduced service levels.</p> <p>Staff redundancies may not be avoidable.</p> <p>Funding to external bodies may be reduced.</p> <p>The Council's capital programme and treasury management strategy must be affordable and reduced revenue resources may impact on the Council's plans.</p> <p>The overall capacity of the Council to deliver services may need to be scaled down and may fall below users</p>	<p>The Council has an approved Budget Strategy to 2015-2016. The policies within the Strategy are the basis for the Council's General Fund revenue budget and its Medium Term Financial Plan.</p> <p>The Budget Strategy led to a restructuring of services and the Council as a whole, but recognised that further restructuring was required to achieve the desired balanced budget by 2015-2016.</p> <p>The Council has planned to use its reserves to set the pace of change but should its main funding reduce further than expected, this will impact on its plans.</p> <p>The Council produced a longer term financial plan in 2013-2014</p> <p>The impact of restructuring is closely monitored by Management Board, including recruitment and resourcing challenges in statutory services. The Council has a Workforce Strategy.</p> <p>The Council continues to bid for funding of all kinds when it becomes available and although this is not sustainable funding, it does support the delivery of the Council's Priorities.</p> <p>The incoming Administration of May 2015 will agree a new</p>	Executive Director and Director of Resources	4	4	16

					expectations.	Budget Strategy for 2016-2017 to 2019-2020.				
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Threat	Likelihood	Impact	Score	Potential impact	Mitigating actions	Responsible Officer	Likelihood	Impact	Score	
C3	Failure of external partner, service providers or contractors	3	5	15	This is likely to result in the suspension of some service while alternative service providers are identified	The Council monitors the position of service providers through regular client meetings and will undertake company checks on our contractors. The Council retains the intellectual property and assets that will support continuity of services	Management Board	3	4	12
C4	Level of sickness worsens	4	4	16	A significant increase may impact on the Council's capacity to deliver services.	The Council has put a number of measures in place to reduce the current levels of sickness. Details of sickness management will be reported to Management Board on a quarterly basis.	Director of Resources	4	3	12
C5	Performance of service delivery contractors.	3	3	9	Failure to deliver key services. Public dissatisfaction with the service Public health risk.	The Council has agreed contingency plans with the contractor which are incorporated in the contracts. Protracted industrial action is covered in the contract. The Council is proactively monitoring service delivery and development	Assistant Director - Community Services	3	3	9
C6	Impact of Welfare Reform changes	4	4	16	Increasing numbers of residents experience low incomes and risk homelessness.	<p>1. Continue to support and work with advice agencies throughout the Borough to assist residents to receive appropriate advice.</p> <p>2. Maximise the Discretionary Housing Payments fund and assist residents in the most challenging financial circumstances to look for longer-term solutions to their problems.</p> <p>3. The Council has developed a Homeless Strategy based on our approach of preventative work to assist residents under threat of losing their homes and assist those who are homeless, to resolve their issues.</p> <p>Reduced grants for Local Government Council Tax Reduction Scheme are not passed on as reduction in entitlement.</p> <p>Continue to invest in group repair schemes to enhance the properties and environment</p> <p>Continue to offer disabled facilities grants and disabled adaptations.</p>	Assistant Director - Housing	4	3	12

Threat		Likelihood	Impact	Score	Potential impact	Mitigating actions	Responsible Officer	Likelihood	Impact	Score
C7	Failure to deliver Waterfront Barrow regeneration programme	4	4	16	This will damage the profile of Barrow as a place to live and work. There will be a loss of local confidence and ineffective use of private sector resources	The Council is committed to complete the site assembly. The project can progress in phases subject to the availability of funding.	Executive Director	3	4	12
C8	Not having appropriate governance arrangements in place	2	3	6	The Council may lose focus on the purpose of the authority and the wider outcomes for the community. The Council may face legal challenge, receive an adverse opinion from the external auditors or experience reputational damage.	The Constitution, Local Code of Governance and Annual Governance Statement. The Council continues to monitor and strengthen its governance arrangements. These include: <ul style="list-style-type: none"> • Audit and scrutiny functions. • Treasury management • Asset management • Resource management through the workforce development strategy • Performance management • Risk management 	Executive Director	2	2	4
C9	Failure to maintain H&S arrangements	2	5	10	Members of the public and Council employees could be put at risk by Council operations	The establishment of the Technical Services Team and the Health & Safety Management Group has strengthened the Council's H&S arrangements. Management Group has identified improvements to health and safety management and as a result a H&S forum will be established. All staff have received electronic H&S training. The H&S Management Board and the H&S Working Group to meet jointly to review the current arrangements.	Executive Director	2	3	6
C10	Capacity to undertake statutory inspections, investigations and enforcement action.	5	5	25	Compliance with statutory targets may be compromised. Response time for investigations and enforcement action may be compromised.	Consultancy services are brought in as required for specific issues or to backfill where Council officers deal with complex cases	Assistant Director - Regeneration and Built Environment	4	4	16

Threat		Likelihood	Impact	Score	Potential impact	Mitigating actions	Responsible Officer	Likelihood	Impact	Score
C11	Legal challenge to Procurement of contracts	2	3	6	Unexpected legal costs and fines. Potentially no agreed contract to cover service due to previous contract lapsing.	Training of staff involved in high value procurement and audit checklists. The Council has introduced corporate logging of contracts	Assistant Director - Regeneration and Built Environment	1	3	3
C12	Information Technology security breach	3	5	15	Corrupt systems and loss of data. Withdrawal of Public Sector Network access. System downtime impacting on service delivery.	Up-to-date Information Security Policy. Staff using email and internet sign up to the Policy. Management overview of email and internet usage. Individual virtual servers for discrete business areas. Business continuity plan.	Director of Resources	1	3	3
C13	Incidents of fraud, bribery or corruption	2	2	4	It would indicate a failure of the Council's systems. Loss of money. Loss of reputation and confidence.	Fraud and corruption policy in place for staff and Members. Effective whistle blowing policy in place. Monitoring of standards and checks by Internal Audit	Director of Resources	1	2	2
C14	Major incident affecting service delivery	1	5	5	Widespread damage due to fire, flooding or severe weather.	Business continuity plan. Contingency plans. Remote access to Council systems	Executive Director	1	4	4
C15	Major incident affecting ICT systems	1	4	4	Damage to Council's ICT infrastructure due to fire or flooding. Failure of ICT systems may adversely affect service delivery.	Disaster recovery plan Business continuity plan. Contingency plans. Remote access to Council systems	Director of Resources	1	3	3

6.0 SUSTAINABILITY REVIEW

A sustainable community should ***“meet the needs of the present without compromising the ability of future generations to meet their own needs”***. To help understand sustainability in Barrow our Strategy looked at a range of issues that affect the environment, economic growth and social equity on our estates.

With this in mind, we have introduced a simple ***“Sustainability Model”*** that allows transparency in the decisions we make. Our estate based investment plans are periodically reviewed against the sustainability model to ensure we invest monies only in stock that benefits the long-term sustainability of an area. We will not proceed with unsustainable investments.

We aim to achieve a step change in the way we manage our housing assets linking our strategies to wider regeneration issues to better understand and deal with the root causes of deprivation within the boroughs housing areas.

6.1 Focus on “Local Issues”

The housing service takes responsibility for preparing this Asset Management Strategy and in doing so reports progress on delivery targets to Council Members, customers and partners. Targets are monitored, reviewed and published in a range of formats to meet our equality standards.

Outputs from estate based asset management plans and investment programmes for individual estates are agreed with Tenants Groups, Councillors and Community Stakeholders. Each plan identifies both the condition of the stock and whether investment is an appropriate means of enhancing or maintaining sustainability. Consideration has also been given to the extent to which the stock will be needed (or wanted) by prospective and future (potential) tenants. To do this effectively requires information and data about the community and the people living on and around our estates.

Our base data includes wider social and economic factors to help us better understand and predict sustainability.

6.2 Estate Based Assessments

Estates will be scored using the following methodology;

Maximum Sustainability Score (100 POINTS or 100%)

Properties scoring 80% – 100%.	Will be classed as ‘Sustainable and Popular’ and have a Green Light for investment.
Properties scoring 65% – 79%.	Will be classed as ‘Sustainable but Less Popular’ and have a Green/Orange Light for investment.
Properties scoring 35% – 64%.	Will be classed as ‘Sustainable with Specific Problems’ and will have an Orange/Red light for investment caution.
Properties scoring 1%- 34%.	Will be classed as ‘Difficult to let’ and have a Red Light to prevent unsustainable investment

6.3 Sustainability Model - Methodology

Scores for each estate have been calculated by analysing the following factors:

Area 1 – TENANCY DATA (Carries an overall weighting of 35%)

Our forecasts for future demand considered information about the management of the housing stock (Internal influences) as well as social information about more general issues such as crime and anti-social behaviour (External Influences).

TENANCY DATA	Data Source	DALTON	ROOSE	WALNEY	ORMSGILL	CENTRAL
TOTAL STOCK @ 31.1.2015	2662	217	750	402	688	605
Tenants in receipt of benefits Less than 60% = 4 points, More than 60% less than 70% = 3 More than 70% less than 90% = 2 points; More than 90% = 1 point	Tenants in receipt of HB	148 68.20%	564 75.20%	293 72.89%	487 70.78%	439 72.56%
	SCORE	3	2	2	2	2
Rent Arrears as a % of stock More than 30% = 1 point; More than 20% but less than 30% = 2 More than 10% but less than 20% = 3 points; Less than 10 % = 4	Total Arrears					
	-£681,359	6.98%	28.56%	10.27%	33.52%	20.67%
		-£47,550	-£194,614	-£69,963	-£228,392	-£140,841
	SCORE	4	2	3	1	2
RTB Sales as % of stock More than 30% = 4 points; More than 20% but less than 30% = 3 More than 10% but less than 20% = 2 Points; Less than 10% = 1	Nos of RTB's since 1990	35% 116	30% 324	33% 198	17% 143	18% 137
	Stock Nos in 1990	333	1074	600	831	742
	SCORE	4	3	4	2	2
Length of tenancy (Based on Area - Months) More than 150 = 4 point; More than 100 but less than 150 = 3 points; More than 50 but less than 100 = 2 Points; Less than 50 = 1 Points		156	100	95	123	98
	SCORE	4	3	2	3	2

Area 2 – DEPRIVATION DATA (Carries an overall weighting of 30%)

Scores will be calculated by assessing the number of non-decent stock on each estate expressed as a percentage of the total number of properties for that estate.

DEPRIVATION DATA	Data Source	DALTON	ROOSE	WALNEY	ORMSGILL	CENTRAL
Domestic burglary rates	2007 SOA	22257	18716	22958	16057	13944
	SCORE	4	3	4	2	1
% of residents receiving benefit	2007 SOA	75%	83%	76%	76%	78%
	SCORE	4	1	2	2	2
Performance of local schools	2007 SOA	17005	11767	13518	9608	8719
	SCORE	4	2	3	1	1
Employment levels	2007 SOA	10843	5919	5662	3704	3453
	SCORE	4	2	2	1	1
Level of deprivation (National Indices)	2007 SOA	13985	9075	9260	5088	5212
	SCORE	4	3	3	1	1

Area 3 – STOCK CONDITION DATA (Carries an overall weighting of 15%)

Scores will be calculated by assessing the average spend on routine work and voids per property on each estate.

STOCK CONDITION	Data Source 2014 Stock Condition Survey	DALTON	ROOSE	WALNEY	ORMSGILL	CENTRAL
% Decent as % of stock by area	Nos of properties % of stock	13 99.51%	20 99.25%	4 99.85%	24 99.10%	15 99.44%
	SCORE	30	30	30	30	30
Average spend on routine work	IQ Objects Period 1.4.2014 to 31.3.2015	£66.75	£57.45	£55.91	£54.32	£51.64
Average spend on voids	IQ Objects Period 1.4.2014 to 31.3.2015	£160.95	£141.34	£123.63	£134.57	£156.02
	Totals	£227.70	£198.79	£179.54	£188.89	£207.66
	SCORE	12	14	15	14	13

Area 4 – LOCATION DATA (Carries an overall weighting of 15%)

Scores will be calculated by assessing the number of properties vacated annually on each estate expressed as a percentage of the total number of properties for that estate.

LOCATION	Data Source	DALTON	ROOSE	WALNEY	ORMSGILL	CENTRAL
Location Most popular = 4 points, Popular = 3 Points; Less popular = 2 Points; Least Popular = 1 points;	N/A	Most Popular	Popular	Most Popular	Least Popular	Less Popular
	SCORE	4	3	4	1	2
Turnover as a % of stock by area Less than 5% = 15 points; 5-10 % = 10 points; 11-15 % = 5 points; More than 15% = 3 points	Tenancy end date report	9%	11%	7%	18%	15%
	SCORE	10	5	10	3	5

Summary of Sustainability Results

The results of the sustainability modelling exercise indicate a clear distinction between estates such as Dalton and Walney that score highly. These estates have a significant level of owner occupiers. Roosegate appears to remain sustainable but is clearly less popular, whilst Central and Ormsgill are sustainable but have isolated problems around tenancy retention that may affect future sustainability.

	CENTRAL	64	SUSTAINABLE WITH SPECIFIC PROBLEMS
	DALTON	91	SUSTAINABLE AND POPULAR
	ORMSGILL	63	SUSTAINABLE WITH SPECIFIC PROBLEMS
	ROOSEGATE	73	SUSTAINABLE BUT LESS POPULAR
	WALNEY	84	SUSTAINABLE AND POPULAR

7.0 HOUSING SECTOR REVIEW

7.1 POPULATION TRENDS AND FORECASTS - West Cumbria

To evaluate the broad direction of travel in which the Councils social housing is heading we have referenced key messages coming out of regional studies such as the Furness and West Cumbria Housing Market Renewal prospectus. The general understanding is that there is likely to be an overall decline in the total population within the area. The report also indicates a probable change in household structure, and suggests that a major increase in household numbers over the next decade is unlikely.

7.2 DEPRIVATION – National Indices

Nationally, rankings for deprivation are given to each local authority based on a score between 1 and 326 (with 1 being the most deprived area and 326 the least deprived area).

7.3 REGIONAL HOUSING MARKETS

The Cumbria Housing Strategy 2006 - 2011 identifies five important housing issues across Cumbria through research undertaken, including;

- Affordable housing
- Creating decent homes and environments
- Housing the homeless
- Regeneration
- Homes with support or additional facilities

Some of these issues affect specific areas of the county to a greater or lesser extent. For example, affordable housing is a greater issue in the rural areas, whilst regeneration is a greater issue in the West Coast, Furness and Carlisle areas. Housing the homeless, creating decent homes and environments and homes with support or additional facilities are relevant throughout the County.

7.4 LOCAL HOUSING MARKETS

The housing stock in Barrow contains a very high proportion of pre-1919 terraced property. Much of this is smaller two bedroom property. In general terms, there is an over supply of 2 bedroom houses and an under supply of larger houses in the borough. A programme of Housing Market Renewal has been commenced to address issues in specific neighbourhoods.

Weaknesses of the Barrow Housing Markets

- Lack of housing choice and old stock that needs improvement
- High proportion of Pre-1919 traditional terraced houses
- Ageing population and high dependency on benefits
- Remoteness of the area - both in terms of road and rail - impacts on demand
- High levels of housing stock in Council Tax Bands A and B and extremely low levels in G and H - shortage of larger quality 'aspirational' housing stock to attract higher income households
- Gaps on the property ladder undermines the housing market
- Too many compromises in terms of 'offer' of areas - schools, access, environment, services, etc - to make some parts of Furness and West Cumbria attractive to new residents

Strengths of Barrow's Housing Markets

- Funding has been secured for Housing Market Renewal and Regeneration programmes in the most deprived wards

- Very low numbers of Non-Decent homes on Council estates
- Demand for housing in all sectors is high in much of the Borough
- Housing is affordable across the majority of the housing market in all tenures
- Barrow has targets to improve house condition and fuel poverty

In essence, Barrow's housing market currently suffers from a lack of diversity and quality. The on going Housing Market Renewal programme is seeking to realign the current imbalances within the local housing market through programmes of selective demolition, refurbishment and development. The aim is to create residential area with mixed tenures and incomes, promoting greater choice, aspiration and demand within priority wards.

In the social housing sector, demand for houses is high and void levels are significantly lower than benchmark thresholds. This trend is expected to continue as the effects of the recession continue.

7.5 SUSTAINABILITY AND DEPRIVATION

The 2010 Deprivation Indices rank Barrow as the 32nd most deprived local authority area out of 326 in England and it is the only district in Cumbria among the 50 most deprived districts in the Country. Cumbria contains eight Lower Super Output Areas (LSOAs) ranked among the 3% most deprived in England and of these six are in Barrow. Barrow contains 50 LSOAs, of which 13 are in the 10% most deprived in England. These deprivation indices remain current for 2015.

Like other deprived areas, Barrow has areas with poor quality physical environments and where housing is in low demand; these are particularly concentrated in the private sector stock located in the inner wards. The most deprived areas within the Borough are in and around the Town Centre.

The economic outlook for the Borough and the prospects for the housing market are heavily dependent on the future of the main employer in Barrow – the BAE Systems shipyard. This is currently undergoing an expansion phase in anticipation of being awarded a contract to construct the successors to the current submarine-based nuclear weapons system. Contracts worth £900m have already been awarded prior to the “main gate” award, which is anticipated in 2016, which would be worth approximately £10bn up to approximately 2030.

This is likely to impact on the housing market over the medium term. The nature of this impact will depend on the nature and source of the additional workforce. To date, there has been a large increase in contracting staff, which has increased the demand for short term accommodation, such as budget hotel accommodation, during the week. There appears also to be a gradual increase in the number of Houses in Multiple Occupation (HMOs). It is likely that the demand for accommodation in the private rented sector will also increase. There may be a longer term impact on the market for owner occupation, but this has not become evident at the time of writing.

The Council has received £3.4m funding from the Government's Cluster of Empty Homes Fund, and this is being spent to bring back into use an estate of tenement flats close to the shipyard. It is anticipated that this will take up some of the additional demand from new short term contract staff at the BAE Systems. The anticipated increase in occupancy will effectively create around 230 new units in the private rented sector. This work will be completed by mid-2016.

The Council's Housing Market Renewal (HMR) Programme, which was Government funded between 2006 and 2011, has resulted in the improvement of some of the Town Centre housing stock, and the demolition of approximately 200 properties that were considered obsolete. This has removed some of the least popular accommodation in the Borough, and is working towards creating overall neighbourhood enhancements. The net change to supply and demand has probably been relatively small, and had a limited effect on demand for Council accommodation. The funding available for continuation of this programme is small

by comparison with the initial phase, so the ongoing effect on the total housing market will be further reduced.

As part of the HMR works, some of the Council's worst and least popular stock has been demolished or reconfigured. Flats at Albert St and Anson St were demolished and replaced with 3-bedroom houses. A number of other flats at Anson St, together with flats at Adelphi Court have been transferred to local supported housing providers. These properties were previously hard to let and subject to serious anti-social behaviour problems. They now provide higher quality accommodation for which there is a sustainable demand.

7.6 HOUSING NEEDS - Barrow

The 2006 analysis from this research highlights that the main issues surrounding unsuitable housing within Barrow are overcrowded accommodation and households requiring aids or adaptations to their home.

There is not a significant issue surrounding affordability within the borough, especially given that some locations have a high turnover of social rented properties. Notwithstanding this, there is the requirement for an additional 20 affordable units per year for the next five years. These should be made-up from both social rented units and shared ownership properties.

7.7 SOCIAL HOUSING TENANTS

The table below shows the present age profile of tenants living on our estates;

Age Band	16-24	25-44	45-61	62 plus	Unknown
Total No of Tenants	143	837	769	778	94
% of Total	5%	32%	29%	30%	4%

Over the past 6 years the age of tenants taking up a new tenancy

YEAR	TOTAL NEW TENANCIES	TOTAL NEW COUPLES	% OF TOTAL	TOTAL NEW SINGLE WITH FAMILY	% OF TOTAL	TOTAL NEW SINGLE (ONLY)	% OF TOTAL
2010	316	62	19.62%	68	21.52%	176	55.70%
2011	298	53	17.79%	72	24.16%	158	53.02%
2012	264	61	23.11%	78	29.55%	125	47.35%
2013	289	62	21.45%	87	30.10%	135	46.71%
2014	372	84	22.58%	114	30.65%	170	45.70%
2015	302	55	18.21%	72	23.84%	161	53.31%
	1841	377	20.48%	491	26.67%	925	50.24%

7.8 NEW BUILD HOUSING

The Council has identified the need for small numbers of social new build in the Borough. Traditionally the Council has looked to work in partnership with its housing association partners to develop such property.

However, our long-standing partner has now looked to direct its resources elsewhere and the Council is left without a housing association who wants to develop in the area.

The Council has therefore embarked on a process to assess the viability of building property directly. The option is looking at relatively small scale limited numbers of property and to be targeted at priority areas to add value to ongoing area-based investment priorities.

7.9 HOUSING SERVICES – Status Survey

Over the past two years there have been some changes in tenant ratings of the overall services provided to Barrow BC tenants. The latest survey found that tenant satisfaction has increased in most areas, including the overall rating for landlord services (87%) which is 6% higher than in 2006 (81%). Many of the ratings are the highest they have been since the first survey in 2001.

The most significant increases were for the account taken of views (up 12%), general condition of the property (up 7%) and satisfaction with repairs and maintenance (up 5%).

There were also some areas where satisfaction has stayed the same and two main areas where satisfaction has fallen (keeping tenants informed fell by 6% and ease of getting hold of the right person fell by 2%).

87% of tenants were satisfied with the overall repairs and maintenance service. The repairs service is the key service, affecting overall satisfaction and 77% of tenants said it was one of the three most important services.

There has been an increase in the number of repairs completed in the last year and it is a credit to the service that satisfaction has increased.

8.0 STOCK CONDITION REVIEW

8.1 HOUSE CONDITION – National Picture

The information collected by the English House Condition Survey (EHCS) is the main source of information on the condition and energy efficiency of housing in England. The survey builds a picture of all types of housing, whether owner-occupied or owned by local authorities, housing associations, or private landlords. This information is used to:

- **Measure** whether housing conditions are getting better or worse and how satisfied people are with their home and neighbourhood.
- **Monitor** progress towards the aim to ensure everyone has the opportunity of living in a decent home. The results from this survey will tell us whether what is being done to improve standards in both public and private housing is working.
- **Target resources** to where they are most needed. Over £8 billion of public money is spent annually on housing related work. This survey is used to ensure funding for housing is directed to the people, areas, and regions where it is most needed.

One of the current housing objectives is to provide social cohesion, well being and self dependence. It also looks at links between non-decency and deprivation as these often impact on levels of housing demand.

8.2 HOUSE CONDITION – Local Picture

In 2014, the Council aimed to carry out a 100% survey of its housing stock and related assets. In accordance with stock condition guidance Michael Dyson Associates (MDA) surveyed 2362 of the 2680 properties owned by the Council (88.1%). A range of property archetype details were used to produce a detailed plan of the likely investment required to the housing stock over the next 30 years.

The report indicated that the greatest cost liability lies within Windows and equates to over 11% of the total planned maintenance profile costs. Kitchens present the second highest cost liability with a total cost of £7.6M over the 30 year period. Wiring also represents a significant cost liability over the 30 year period; with over £7.3M required overall, an average of £245k every year over the period. Main Roof Coverings also require investment over the first five years with £874k identified as being required.

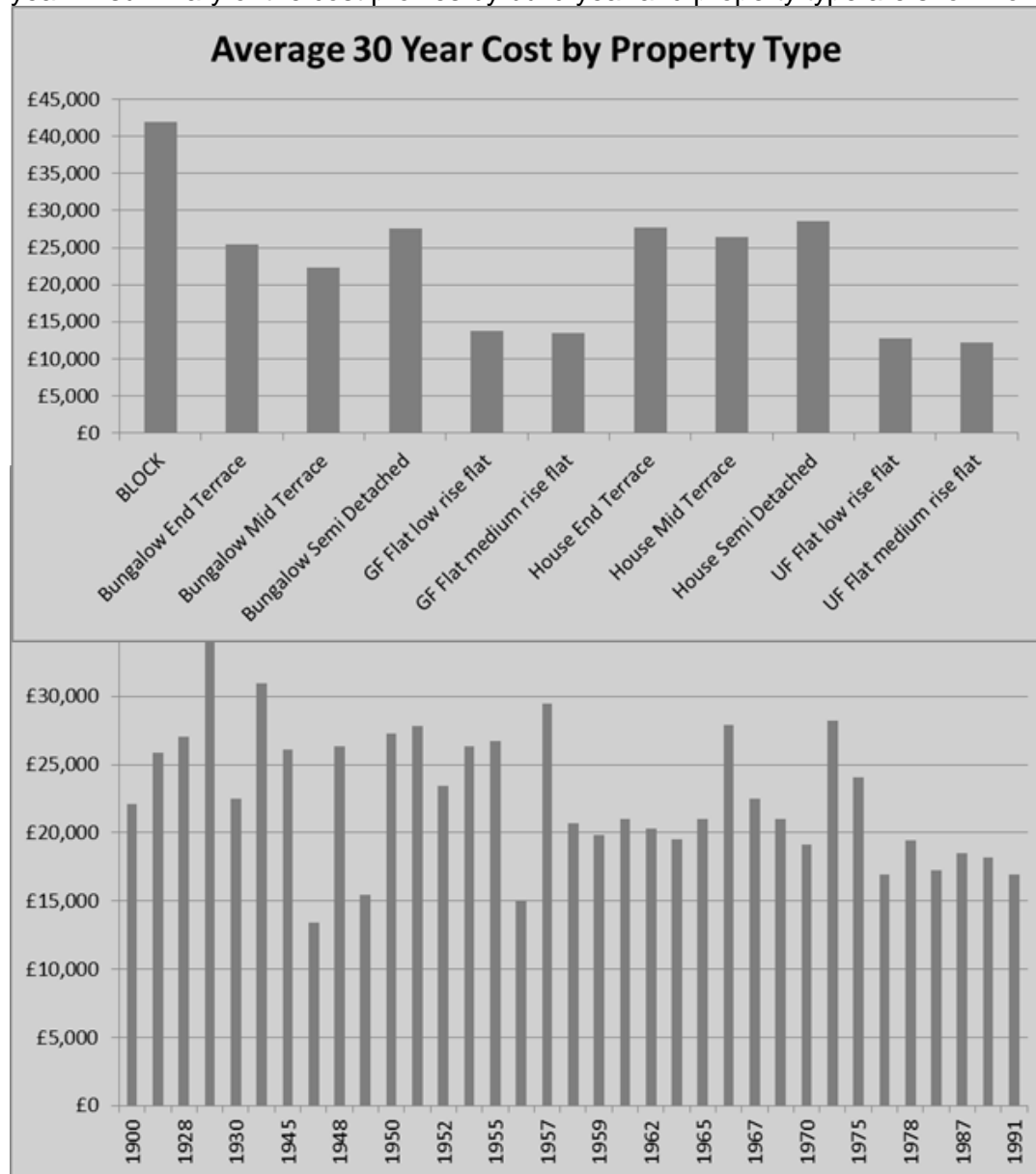
8.3 COST ANALYSIS – Local Picture

The Summary of All Costs table taken from the 2014 Stock Condition report identifies Planned Maintenance Works, Un-accounted Decent Homes costs (costs attributed to failures which do not form part of planned maintenance programmes), Cyclical, Responsive Repairs, Void Costs and an allowance for Preliminaries, Contingencies and Professional Fees. Preliminaries, Fees and Contingencies have been assigned to catch up repairs, planned maintenance and unaccounted Decent Homes costs at 10%, 8% and 3% respectively.

The overall Planned Maintenance costs over the 30 year business planning period are £66,968,114 which equates to an average of £24,988 per property. This can be further broken down to an average of £832 per property per year. MDA typically expects the average property cost for social housing over a 30 year period to range between £25-30k per property across the UK, and the average 30 year cost, per property, for the BBC stock is lower than this figure.

When summarising all costs for the properties, which includes Catch-up repair costs, Planned Maintenance Costs, Unaccounted Decent Homes Costs, Cyclical, Responsive Repair and Void Costs, along with Preliminaries, Fees and Contingencies the figure currently stands at a total of £160,834,025 over the 30 year period, an average of £59,442

per property. This can be further broken down to an average of £1,981 per property, per year. A summary of the cost profiles by build year and property type are shown overleaf;



Community Centre's require a total of £100,005. The largest cost relates to roof coverings, windows and wall finishes.

8.4 DECENT HOMES

Levels of non decency within the public sector housing stock are significantly lower than national targets. The table below shows the anticipated numbers of non-decent homes as identified by MDA in their 2014 stock condition survey. Details show the 76 properties broken down by housing management area;

Area	Criterion A	Criterion B	Criterion C	Criterion D
CENTRAL	0	5	0	0
DALTON	0	13	1	0
ORMSGILL	1	23	0	0
ROOSEGATE	0	28	2	0
MISC	0	0	0	0
WALNEY	0	3	1	0

8.5 DECENT HOMES - Progress

The table below shows the Councils progress towards achieving decent homes following surveys in 2006 and 2010. The Council has delivered a range of improvements to ensure all properties were made decent by the end of 2010. The table also shows the findings of the most recent stock condition survey completed in 2014.

Decent Homes Criterion	2006 Stock Condition Survey Results	2010 Stock Condition Survey Results	2014 Stock Condition Survey Results
Criterion A	24	32	1**
Criterion B	118	1	72
Criterion C	59	6	4
Criterion D	349	0	0
Totals	550*	32*	76

* Some properties have multiple failures

** Property SOLD since the 2014 survey

8.6 HOUSING, HEALTH AND SAFETY RATING SYSTEM (HHSRS)

The HHSRS was introduced as a replacement for the Fitness Standard to ensure residential premises provide a safe and healthy environment for any potential occupier or visitor.

The HHSRS uses judgments made by surveyors based on an inspection of the dwelling. This generates a numerical score based on two judgments;

- Likelihood over the next 12 months of an occurrence which could result in harm to a member of the vulnerable age group
- The range of potential outcomes from such an occurrence

At the time of the survey 1 property failed the HHSRS standard. This property has since been sold.

8.7 STOCK PROFILE – Social Housing

The Council's public sector housing stock consists of 2680 traditionally constructed low-rise houses, flats and bungalows spread across 5 main housing estates, including Dalton, Roosegate, Central, Ormsgill and Walney. The stock is separated into the following age bands; Pre 1944; 1945 – 1964 and Post 1965

The stock comprises of the following property types;

Property type	Number	Percentage of stock
Bungalow	157	5.8%
House	1269	47.4%
Flat	1254	46.8%

Properties built before 1944

The Council's pre-war properties amount to 16% of the total housing stock, with properties distributed throughout all of the present housing management areas. All properties in this group have traditional cavity wall construction with many having red facing brick facades and pitched slate roofs. The general condition of the properties is good due mainly to the level of investment and improvement to both internal and external areas of the properties over recent years.

Properties built 1945-1964 - Post War

The Council's post war properties amount to 51% of the total housing stock and consists of traditional cavity wall construction generally with a render finish to the majority of properties, excluding those in the Greengate and Dalton area, which are constructed from a red facing brick facade. All properties have a pitched roof structure incorporating a slate or tiled covering. Whilst many of this group have benefited from improvements over recent years, there are still areas of Newbarns, Abbotsmead, Walney and Ormsgill which have had little or no improvements since built, however, the general condition of the properties remains good.

Properties built after 1965

The Council's newer properties amount to 33% of the total housing stock and consist mainly of traditional cavity wall construction to the houses, flats and bungalows. All have traditional pitched roofs incorporating a concrete or clay tiled covering.

Very few of the properties in this group have undergone major improvements although; with the exception of 80 properties in the Central area that benefited from SRB funding in 2000. Whilst the general condition of the structure and fabric is good, MDA have indicated that many of the flats require remedial works in the form of "Master Planning" to the communal areas and security in order to improve sustainability.

8.8 ENERGY EFFICIENCY

MDA collected RDSAP energy data and processed this information using the NHER Auto Assessor software. The SAP energy ratings in the table below show how energy efficient or in-efficient a property is – the higher the rating, the more efficient the property is considered. The maximum SAP rating that a property can have is 100.

CO2 (kg)	SAP	Lighting Costs	Space Heating Costs	Water Heating Costs
2334.96	70.25	£43.90	£381.67	£75.33

The SAP ratings appear consistent with our expectations with the overall average SAP rating for the stock being 70.25 which is more than respectable for such a varied range of properties.

8.9 RIGHT TO BUY FORECASTS

Long term forecasts indicate that the continuing sale of the Council's "prime" properties under the RTB scheme will result in a reduction of stock numbers by around 12 properties each year.

RTB levels have continued to reduce stock numbers, albeit at a slower rate. Present stock levels (@ 31.3.15) indicate;

HOUSING MANAGEMENT AREA	TENANTED	LEASEHOLD	TOTALS
CENTRAL	608	45	653
WALNEY	404	49	453
ROOSEGATE	752	51	803
ORMSGILL	697	58	755
DALTON	219	3	222
OTHER	7	N/A	7

8.10 STOCK VALUATION

In 2009 the Council undertook a stock valuation exercise based on the DETR document "Guide to Stock Valuations". A total of 108 Beacon properties have been identified across all housing management areas and provide typical information regarding the public sector assets. In reviewing the beacon properties we have established an asset value for the stock of £81.8m.

In addition, the housing department retains management of garages, shops and community centres valued at £2.12m

8.11 INVESTMENT PRIORITIES

The 2014 stock condition survey results form the basis of our Business Planning model and provide new targets for short and medium term investments.

Our overarching investment priorities are to;

- **Ensure properties are "safe, energy efficient and weatherproof"**
- **Carry out improvements on a "just in time"; "worst first" basis**

To date the Council has invested monies into the following areas;

- Installed new Double Glazed PVCu windows to all properties
- Replaced 100% of all exposed external doors with new high security door sets
- Ensured all properties have an adequate form of central heating and insulation
- Carried out all necessary repairs to satisfy the target to bring properties up to the decent homes standard by 2010
- Refurbished all communal entrances to flats with an internal staircase

The 2014 stock condition survey confirmed the following understanding "There was clear evidence that investment has been made in the stock over recent years. However, it was noted that there remains a number of properties which have components approaching the end of their useable life which will need replacing over the coming years". In view of this we have established a number of ongoing priorities to ensure components do not exceed their usable life. These priorities include;

- Complete repairs to any newly occurring non-decent homes by 31.3.2016

- Replace 150 central heating systems annually
- Replace 100 bathroom installations annually
- Replace 100 kitchen installations annually
- Replace main roof coverings that are approaching the end of their component life
- Replace flat roof coverings that are approaching the end of their component life
- Replace external wall finishes that are approaching the end of their component life
- Replace windows to 150 properties annually
- Upgrade 100 electrical installations annually
- Test and certify all gas appliances annually
- Test and certify all electrical installations on a 5 year cycle
- Paint and repair timber components on a 6 year cycle
- Upgrading communal lighting with energy efficient bulbs or fittings
- Upgrading security doors to communal areas
- Undertaking roofing and damp improvements to 10 blocks of garages annually
- Upgrading perimeter fencing that is approaching the end of its component life

Other key targets include;

Central Heating

- 99% of properties presently have modern gas fired central heating systems. We aim to maintain this figure between 2015 and 2020.

Bathrooms

- 84% of properties presently have a bathroom less than 15 years old. We aim to increase this figure to 90% by 2020

Kitchens

- 96% of properties presently have a kitchen less than 15 years old. We aim to maintain this figure between 2015 and 2020.

9.0 REPAIRS AND MAINTENANCE REVIEW

Our Strategy adopts the principles of “Rethinking Construction”. Through our Housing Management Forum we have agreed to assess and deliver maintenance based on unexpired component life. This is supported by the use of advanced I.T. reporting systems. Our ‘just in time’ strategy aims to prioritise investment on a “worst first” basis.

Our aim is to;

“Work together to deliver high quality repairs and maintenance services that are free from defects, completed on time, by prior appointment, within budget and by multi skilled operatives working in a safe and efficient manner”

To achieve our maintenance aim we have established a strategic, long-term approach. We provide and maintain decent, sustainable homes where people choose to live and in doing so have considered the following areas of planning and service delivery;

9.1 STRATEGIC LONG-TERM APPROACH

- **Our stock condition survey identifies maintenance needs**

We undertake independent assessment of the stock every five years and follow good practice guidance. The information is representative of all property types and age bands and dwellings from all of the of the Councils five social housing estates.

Our data collection techniques allow reliable identification and estimation of non-decent homes. Our predictions suggest that less than 3% of the stock is presently non-decent. The 76 properties presently failing the Decent Homes standard will be re-assessed and all arising remedial works will be completed by April 2016.

In addition we collect data from a number of information points such as COGNOS, gas safety inspections, energy performance certificates, asbestos surveys and electrical test reports. Our aim is to capture and maintain up to date accurate information specific to each property.

The stock condition data is held electronically and is updated when cyclical or planned maintenance improvements are carried out. A range of key personnel have access to the reporting tools and modify data as and when surveyors visit properties.

- Our policy is to; ***Carryout a detailed survey of the housing stock and related assets in line with good practice guidance.***

- **We identify stock that are likely to remain sustainable**

Our asset management Strategy is linked to a number of wider regeneration issues regarding sustainability and regeneration. Our Strategy helps us better understand how social housing supports balanced housing markets within the borough. This involves looking at repair costs, economic and social trends, tenant aspiration, housing need and demand forecasts. We also consider national, regional and local housing policies and link them to our stock condition data to ensure that the boroughs social housing investment priorities are jointly agreed financed and delivered.

The sustainability review looked at the probable reasons for unsustainability in each area and whether investment is an appropriate means of addressing the problem.

- Our policy is to; ***Apply the Councils “sustainability model” to the annual investment programme to identify unsustainable investments.***

• **We have a range of funding and investment options**

Whilst our asset management Strategy aims to deliver local maintenance priorities it is set in the context of regional and local housing strategies. Our business plan forms the investment link across these strategies and has been developed and agreed by members of the Housing Management Forum.

In order to ensure transparency our Investment programmes are measured against our sustainability model. We aim to eliminate poor investment to unsustainable areas of the stock. Maintenance need has been established through analysis of robust stock condition information and ensures Investments are prioritised on a “just in time” and “worst first” basis.

Our target is to spend 60% of our capital funded investments on a range of planned works shown below;

Investment Priorities	Budget	Comment
• Complete repairs to any newly occurring non-decent homes by 31.3.2016	£76,000	One off expenditure
• Replace 100-150 central heating systems annually	£450,000	£*** average cost
• Replace 50-100 bathroom installations annually	£180,000	£*** average cost
• Replace 50-100 kitchen installations annually	£125,000	£*** average cost
• Replace main roof coverings that are approaching the end of their component life	£300,000	
• Replace flat roof coverings that are approaching the end of their component life	£50,000	
• Replace external wall finishes that are approaching the end of their component life	£150,000	
• Replace windows to 150 properties annually	£500,000	
• Upgrade 50-100 electrical installations annually	£250,000	£*** average cost
• Test and certify all gas appliances annually	£200,000	
• Test and certify all electrical installations on a 5 year cycle	£85,000	
• Paint and repair timber components on a 6 year cycle	£250,000	
• Upgrading communal lighting with energy efficient bulbs or fittings	£50,000	
• Upgrading security doors to communal areas	£100,000	One off expenditure
• Undertaking roofing and damp improvements to 10 blocks of garages annually	£80,000	
• Upgrading perimeter fencing that is approaching the end of its component life	£120,000	

• **Options Appraisals**

The Council has completed an options appraisal on two occasions. They suggested a balanced business plan could be maintained over a 30 year period. Considerable consultation took place with tenants but there was no interest in seeking the option of stock transfer or alternative management arrangements.

The Council recognises that stock transfer is always an option and will review the management arrangements as and when it deems necessary.

- Our policy is to; ***Review the HRA subsidy system and evaluate whether the option of stock transfer should be re-considered, or review stock options on the request of tenants.***

9.2 EFFECTIVE CUSTOMER ENGAGEMENT

- **We involve customers in decision-making, setting standards and selecting contractors**

Customers, partners and leaseholders are actively engaged via a network of forums and committees. We ensure that priorities reflect customer needs and aspirations as far as possible.

To ensure the sustainability of the council housing assets, a housing management forum has been established. This provides opportunity for customers to directly influence decision making and understand why actions regarding investment may not be appropriate. In addition our Tenant Forum help to develop customer care standards and service specifications for improvement work. Additional forums have been established to represent the interests of leaseholders, minority groups and tenants with disabilities.

- Our policy is to; ***Enable customers appointed to the Tenants Forum to endorse and influence our standards and procedures.***

- **We empower customers to prioritise repairs budgets**

Through our Housing Management Forum and Tenants Forum we offer meaningful input to the business planning process. Customers have the opportunity to consider the impact maintenance budgets have on our estates. Our empowerment role involves offering training and development opportunities for tenant representatives. Customers are able to gain new skills that will help them make informed decisions about future investment priorities. The Housing Management Forum is actively involved in decision making regarding the materials and specification used on the Councils investment programmes.

- Our policy is to; ***Enable customers appointed to the Housing Management Forum to make decisions and monitor our performance.***

- **We involve customers in performance monitoring**

Our customers form part of the repairs and maintenance “Core Team”. Their role is to review and discuss the departments overall maintenance performance regarding local and national key performance indicators. Results are reported in a range of formats. Customers and leaseholders are consulted about the services we provide through a range of consultation questionnaires, feedback sheets, telephone calls and face to face discussions.

- Our policy is to; ***Enable customers appointed to the core team to monitor the delivery and performance of the Housing Maintenance Contract.***

- **We offer choice and communicate with customers**

Service standards are discussed with the Tenants Forum and agreed by members of the Housing Management forum and Scrutiny Committee. Individual customer choice is determined by a majority vote. We communicate with customers about the practical aspects of upcoming works, producing information factsheets and conduct a range of customer satisfaction surveys, to help improve the way future works are carried out.

- Our policy is to; ***Provide a range of forums to engage with customers with disabilities, shopkeepers and other community groups to discuss service delivery, choice and performance.***

- **We actively engage with leaseholders**

We have established a leaseholder's forum to set clear responsibilities and communication links with regard to leasehold services. Repair costs, and major works programmes are discussed with leaseholders and s20 notices are periodically reviewed with the group prior to issue.

- Our policy is to; ***Provide a forum to meet and engage with leaseholders.***

9.3 EFFECTIVE CAPITAL PROGRAMME

- **We work collaboratively with contractors**

We ensure that capital investments are effectively managed and delivered on time and on budget through utilisation of a range of procurement options. We limit contract preparation time and hence speed up delivery by avoiding duplication of roles within the delivery team.

Through collaborative working we have with other Cumbria based housing providers established a range of investment frameworks to build longer-term relationships with suppliers and contractors. This allows better assurance for contractor's workloads. The online ordering and payment facility provided to Cumbria Housing Partners (CHP) by Procure Plus ensures effective auditing and monitoring of materials, labour charges and performance.

Investment in project management skills (Procure Plus) and innovations to management systems (Schemes Plus) ensure problems are identified, risk assessed and adequately resourced. The CHP model ensures key stages of tendering and specification writing are minimised to ensure consultation and engagement with customers is prioritised. We ensure programmes are planned and delivered appropriately. This results in significant savings when compared to traditionally tendered projects and allows contractors to build relationships and plan labour resources for future investment programmes.

- Our policy is to; ***Build long term relationships with contractors that demonstrate efficiency savings, exceptional customer care and excellent performance levels.***

- **We maximise spend on capital investments**

The proportion of money spent on capital investments is maximised by understanding stock condition and setting achievable goals and targets. These targets are supported by realistic deliverable operational plans that are estate specific, agreed and communicated to customer representatives and operational staff.

We use a number of reporting tools to interrogate our responsive repairs database history. This analysis identifies repeat failures across components or estates and helps inform planned and cyclical programmes. We avoid carrying out responsive repairs that form part of any upcoming planned programmes. Additional software allows forecasting of stock condition costs for Business planning purposes.

- Our policy is to; ***Ensure we spend a minimum of 60% of our capital funded budget on planned investment works.***

- **We deliver well-timed and cost-effective cyclical programmes**

We utilise up to date reliable stock condition data to allow delivery of our programmes on a “just-in-time” and “worst first” basis. The Cumbria Housing Partners framework provides a diverse supply of contractors that can be engaged at relatively short notice. This alleviates the need for any on-the shelf cyclical work specifications. Gas servicing and periodic electrical testing are actively monitored and robust procedures are in place for non-access..

- Our policy is to; ***Ensure properties receive well timed cost effective cyclical programmes such as gas safety testing (annually); painting (6 year cycle) and periodic electrical testing (5 year cycle) to provide high standards of maintenance and safety.***

9.4 EFFECTIVE RESPONSIVE REPAIRS

- **Responsive Repairs**

In 2005, the Council appointed the Collaborative Working Centre (CWC) to help procure a new contractor in line with the principles of rethinking construction. To ensure “Egan Compliance” we have based the contract on NEC 3, as it incorporates a “Core Team” of customers, councilors, and stakeholders. The team jointly discusses and makes decisions about the maintenance services provided.

The housing maintenance contract operates on an “open book” basis and includes a range of key performance indicators that are linked to a system of “risk and reward”. The overall aim of the contract is to;

“Work in partnership with profitable companies to deliver high quality repairs, maintenance and improvements that are free from defects, completed on time, by appointment, within budget and by multi skilled operatives working in a safe and efficient manner”

- Our policy is to; ***Deliver responsive repairs in line with the standards set out in the “Tenants Handbook”.***

- **Egan Principles**

In assessing our ability to achieve construction excellence we have developed an internal culture to understand basic principles around managing risk and delivering value for money. Contractor retention, trainee/apprenticeships, and community responsibilities are areas where we believe good practice has occurred.

We are committed to the following principles set out by Sir John Egan;

Committed Leadership – To support this understanding the Council set up a new committee structure to “modernise local government”. The Housing Management Forum allows customers and Council members to share equal voting rights on housing and community related issues. A dedicated “Core Team” provides leadership and guidance with regard to the responsive repairs contract.

Customer Focus – To supplement committed leadership the housing department have established a wide range of forums and focus groups that provide a valuable insight into customer requirements and help us achieve best practice. Performance is regularly monitored and results published in a variety of mediums including newsletters and intranet.

Product Team Integration - The Tenants Forum evaluate improvement specifications and products based on aesthetics, quality, service delivery, cost and after sales service. Specifications are modified where appropriate to meet customer needs.

Quality Driven Agenda – We seek to appoint and retain contractors and suppliers on the basis of the best available price for the required standard. We believe the CHP framework to be an area of best practice.

Commitment to People – We seek to further develop our “Respect for People” culture by benchmarking individual and team performance. We acknowledge excellence service delivery. We provide training and skills development for staff, contractors, tenants and Councillors. The wider CHP based skills and employment initiatives further supplement our commitment to people.

In delivering excellence we strive to;

- Reduce costs by operating on an “open book” basis and look to retain contractors that demonstrate efficiency savings, exceptional customer care and excellent performance levels.
- Reduce construction time and ensure repairs are completed “right 1st time” through innovative ways of working such as zoning and multi skilling
- Increase predictability through the delivery of an effective appointments diary
- Reduce defects by evaluating contractors actual performance
- Reduce accidents by improving the contractors health and safety management systems
- Increase productivity through performance appraisals and incentivisation
- Increase turnover/profits through retention of contractors and suppliers

➤ Our policy is to; ***Adopt the principles of “Rethinking Construction” in the delivery and management of repairs and maintenance services.***

- **Reducing the level of responsive work**

In 1986 the Audit Commissions recommended that local authorities ensure that volume of emergency and urgent repairs issued does not impact on overall budget provisions.

➤ Our policy is to; ***Ensure we spend a maximum of 40% of our budget on responsive repairs.***

- **Improving accuracy of diagnosis**

As part of our drive to achieve “Constructing Excellence” we have invested in the training of staff that receives and issues repair orders. Reducing the complexity of repairs ordering has lead to a simplification of the schedule. The introduction of a diagnostic software system, “Repair Finder” has improved this area of service delivery.

➤ Our policy is to; ***Ensure repairs are diagnosed and ordered correctly using advanced reporting software that supports E Government compliance.***

- **Getting repairs done on time**

We have established clear, easily monitored time targets for repair priorities, and use the Housemark benchmarking club to compare our performance with housing providers that share our operating characteristics.

Our present level of performance with regard to completion of repairs within local and national timescales is very poor (See below).

Key Performance Indicator	Target	Actual
2(a) Tenant satisfaction with repair service	80.55%	88.02%
2(b) Emergency Repairs	98.10%	96.03%
2(c) Urgent Repairs	97.10%	79.14%
2(d) Routine Repairs	96.10%	80.05%
2(e) Repairs completed Right First Time	95.50%	77.46%

Our main contractor offers customers a simple morning and afternoon appointment system. Despite encouraging the use of flexible contractors, who can provide multi-skilled workers for emergency, routine and void work; little progress has been made with regard to this area of service delivery. In order to improve delivery performance ongoing developments look to set to up direct interface links with the contractor's repairs management system.

- Our policy is to; ***Ensure we achieve Housemark upper quartile performance with regard to completing repairs on time and by appointment.***

- **Prioritising performance monitoring**

We have increased resource availability for post-inspection. Area surveyors have dedicated appointment slots to target complex repairs involving multi-trade activities. This improves cost certainty and allows inspection and verification processes to focus on repairs with cost exceptions. We have "ring fenced" central overheads and evaluate site based preliminary costs on a regular basis. This allows the contractor to understand true outturn costs of service delivery across all areas.

- Our policy is to; ***Report a range of national and jointly agreed local key performance indicators on a quarterly, annual or ad hoc basis to ensure we scrutinise and benchmark our performance against our peers.***

- **Increasing customer focus**

We have a number of simple well publicised reporting mechanisms for customers to order repairs. This includes a web facility "See my data" where tenants can view their repair and rent account details and request repairs using the on line facility. We have a number of aids such as a hearing loop, large print, translators and audio facilities to ensure we do not discriminate against customers from minority groups or those with disabilities.

- Our policy is to; ***Ensure customers can easily contact the Council using a range of technologies and mediums both during and out of normal office hours.***

Our customers are offered a morning or afternoon appointment system for all non-urgent repairs. The present contractor utilises a sophisticated software programme called "Engineers Diary" to send repairs electronically to their operatives via PDA's.

The main contractor is presently attending to 96% of appointments within the time scales provided.

- Our policy is to; ***Arrange a suitable "am or pm" appointment for contractors to complete responsive repairs and gas servicing.***

- **Cost-effective repairs to void properties**

Our lettings management team has direct access to the repairs ordering facility and work in conjunction with technical staff to diagnose and specify repair works. The lettings team has responsibilities and targets for turn around times and lettable standards. Our standards have been jointly agreed with the Councils Scrutiny Committee and with customers.

Regular meetings and daily liaison between the contractor, technical staff and the lettings team ensure delays are minimised and that contractor resources are adequate.

- Our policy is to; ***Inspect properties within 3 days of receipt of the keys to identify and issue all repairs that may affect the health and safety of the tenant.***

- **Home Safety - Gas Servicing; Electrical Testing and Smoke Alarms**

We have robust procedures to ensure we fulfill our legal obligations to safety test all gas appliances and pipe work in accordance with the gas regulations and to periodically test electrical circuits in line with good practice. We have introduced a number of initiatives to improve access such as warning labels and warning tape to locks and doors and take appropriate legal action to gain access to hardcore customers who continually refuse to provide access. In addition, we have developed new technologies within our existing software to escalate properties with access problems to ensure we comply with our legal duties and offer an out of hours and weekend engineers to complete work in line with requests from customers.

- Our policy is to; ***Ensure we complete an annual gas safety check in line with the current Gas Safety (Installation and Use) Regulations and isolate any appliance that constitutes a risk to health and safety.***

9.5 PERFORMANCE MANAGEMENT AND COMPETITION

- **Encouraging competition**

Delivering 70% of our capital investment programmes through the Cumbria Housing Partners framework opens up our investment programmes to real competition. These new procurement models increase expressions of interest, increase long term planning and security for contractors and increase local employment opportunities. This ultimately leads to cost certainty. Our tenants groups understand that the tendering process needs to look at quality and cost and representatives from our estates have been actively involved in the selection interviews for the Cumbria Housing Partners framework.

- Our policy is to; ***Deliver 70% of our capital investment budget via the Cumbria Housing Partners framework.***

- **Focusing and supporting performance management**

We have identified a range of local and national indicators by which the service and contractors are measured. Customers are actively involved in the setting and monitoring of these targets. Our jointly agreed key performance data for responsive repairs is set out overleaf.

KPI	Target Value	Actual Performance (2014)
1(a) Routine	98.0%	96.41%
1(b) Gas	98.0%	96.72%
2(a) Tenant satisfaction with repair service	80.55%	88.02%
2(b) Emergency Repairs	98.10%	96.03%
2(c) Urgent Repairs	97.10%	79.14%
2(d) Routine Repairs	96.10%	80.05%
2(e) Repairs completed Right First Time	95.50%	77.46%
3(a) Appointments kept	98.30%	0.00%
3(b) Appointments made	100.00%	0.00%
4. FIN Status	0.5%	0.0%
5. Defects	0.50%	2.52%
6. LGSR Compliance	100.00%	100.00%
7. No Access / Abortive Calls	7.00%	2.92%

- Our policy is to; ***Retain contractors that demonstrate efficiency savings, exceptional customer care and excellent performance levels.***

- **Working in partnership**

The drive to “Rethink Construction” establishes a selection procedure that assesses quality, technical ability as well as price. In awarding contracts we aim to appoint partners who deliver best value and increase the likelihood of the team delivering our key objectives.

We recognise that the construction industries biggest asset is people. We also understand that building the team requires everyone involved to be treated fairly and not discriminated against. In working towards true “partnering” we understand that change management is one of the greatest challenges we face.

In view of this we appoint contractors in conjunction with our customers and have set up a “Core Team” made up of tenants, Councilors, and stakeholders to help review service delivery and performance. **The Council also investigates alternative funding options to support investment opportunities and has been successful at securing NRF and SRB funding for improvement work with partnering organisations.**

- Our policy is to; ***Appoint contractors on the basis of quality and best value***

9.6 EQUALITY AND DIVERSITY

- **Improving services**

We promote equality and diversity to eliminate discrimination that is unlawful. We seek to promote good relations between people from different racial groups by ensuring staff, partners and stakeholders are trained in promoting positive attitudes in the workplace.

- Our policy is to; ***Investigate all incidents of unlawful discrimination and report findings to the Council’s corporate Equality and Diversity Group.***

- **Improving employment and opportunities for involvement**

Our Equality Impact Assessments form a foundation from which we analyse and promote our equality and diversity improvement strategy. Future improvements have been identified

with regard to contractors and their staff and include expansion of our health and safety audits to embed equality and diversity within our customer care code.

- Our policy is to; ***Incorporate contractors and service providers within our equality and diversity training events to raise awareness about discrimination.***

- **Enabling Community Cohesion**

Ongoing policies highlight a range of wider regeneration initiatives designed to tackle the underlying problems of “Respect” within today’s society. Whilst we aim to improve the physical fabric of our estates through the delivery of individual asset plans (see appendices A to E), building stronger links with community leaders will improve policing and management of neighbourhood wardens and is seen as a key building block to community cohesion.

- Our policy is to; ***Ensure we give help and assistance to customers with additional support needs through liaison with the contractor to ensure they are fully aware of the customer’s requirements before and during repair or improvement works.***

- **Continuous Improvement**

Our customer satisfaction surveys indicate that we engage service providers that satisfy our customer needs. Failure to improve our performance regarding equality and diversity will not lead to improved service delivery for our customers and may lead to unlawful discrimination.

We will utilise the Councils Equality Impact Assessment procedure to drive continuous improvement to the services we offer customers.

- Our policy is to; ***Enable customers appointed to the Tenants Forum to review our equality impact assessments, repairs and maintenance policies, procedures and standards to identify and eliminate discrimination.***

STAFF RESPONSIBLE

Colin Garnett – Housing Manager
Les Davies – Housing Maintenance Manager

Authorising body	: HMF	Issued by	: L DAVIES
Issue Number	: 1	Date of issue	: 26.8.2010
No of pages	: 33		
Date of next review	: 26.2.2015		

Authorising body	: HMF	Issued by	: L DAVIES
Issue Number	: 2	Date of issue	: 26.2.2015
No of pages	: 34		
Date of next review	: 26.2.2020		

PLANNED INVESTMENTS 2015-16

AGENDA ITEM 13

SCHEME	PROCUREMENT TYPE	AVAILABLE BUDGET	EXPENDITURE TO DATE	ESTIMATED START DATE	ESTIMATED COMPLETION DATE	CONTRACTOR	COMMENTS	Leasholders affected?
RE-ROOFING AND POINTING WORKS ROOSEGATE ESTATE PHASE 2 (2-3 YEARS DELIVERY PLAN)	CUMBRIA HOUSING PARTNERS	£975,000	£ 48,751	26.5.2015	31.3.2016	DLP Roofing	30% COMPLETE	No
FLAT ROOF IMPROVEMENTS HINDPOOL AND EWAN CLOSE	ESTIMATES	£66,000	£ 1,422	01/07/2015	31.3.2016	CUMBRIA ROOFING	5% COMPLETE	Yes
RE-POINTING/RENDERING ORMSGILL ESTATE	CUMBRIA HOUSING PARTNERS	£538,000	£ 1,073	01/08/2015	31.3.2016	DLP Roofing	0% COMPLETE	No
EXTERNAL DOOR REPLACEMENTS DALTON	CUMBRIA HOUSING PARTNERS	£30,000	£ 9,146	02/08/2015	31.3.2016	TOP NOTCH	25% COMPLETE	No
WINDOW REPLACEMENTS VARIOUS HOUSING AREAS	CUMBRIA HOUSING PARTNERS	£304,000	£ 67,569	02/08/2015	31.3.2016	TOP NOTCH	35% COMPLETE	No
COMMUNAL ENTRANCE LIGHTING UPGRADES - CENTRAL	CUMBRIA HOUSING PARTNERS	£49,000	£ -	01/10/2015	31.3.2016	K WILSON	10% COMPLETE	Yes
COMMUNAL ENTRANCE PAINTING - CENTRAL	CUMBRIA HOUSING PARTNERS	£37,000	£ -	01/11/2015	31.3.2016	GEORGE JONES	5% COMPLETE	Yes
GARAGE IMPROVEMENTS	CUMBRIA ROOFING	£88,000	£ -	02/08/2015	31.3.2016	CUMBRIA ROOFING	5% COMPLETE	No
REWIRES	CUMBRIA HOUSING PARTNERS	£255,000	£ 129,582	01/04/2015	31.3.2016	K WILSON	50% COMPLETE	No
BATHROOMS	CUMBRIA HOUSING PARTNERS	£180,000	£ 76,294	01/04/2015	31.3.2016	AB MITCHELL	30% COMPLETE	No
KITCHENS	CUMBRIA HOUSING PARTNERS	£125,000	£ 22,266	01/04/2015	31.3.2016	AB MITCHELL	8% COMPLETE	No
HEATING	CUMBRIA HOUSING PARTNERS	£455,000	£ 182,952	01/04/2015	31.3.2016	AB MITCHELL	40% COMPLETE	No
PAINTING	CUMBRIA HOUSING PARTNERS	£250,000	£ 74,069	01/04/2015	31.3.2016	G JONES	40% COMPLETE	Yes

HOUSING MAINTENANCE COMMITMENTS 2015-16

	Funding Available 2015-16	EXPENDITURE TO DATE	Weekly Available	Gross Comm. as a % funds available
Tenant Demand Repairs	£ 1,070,200	£ 222,957	£ 20,581	21%
Voids	£ 503,044	£ 312,151	£ 9,674	62%
Gas Servicing	£ 195,392	£ 53,086	£ 3,758	27%
Decoration Vouchers	£ 30,000	£ 11,052	£ 577	37%
Environmental Impmts	£ 25,000	£ 4,089	£ 481	16%
Disabled Adaptations	£ 100,000	£ 63,073	£ 1,923	63%
Electrical Testing	£ 81,000	£ 32,313	£ 1,558	40%
Door Entry Maintenance	£ 20,000	£ 11,191	£ 385	56%