	<p style="text-align: center;">Executive 12th December 2005</p> <p style="text-align: center;">Report from the Director of Housing and Community Care</p>
<p>For #Information Wards Affected: ALL</p>	
<p>BHP Performance Report to Executive</p>	

Forward Plan Ref: HSG&CC-05/06-08

1.0 Summary

- 1.1 This report looks at the operation of Brent Housing Partnership (BHP), the Council's wholly owned Arms Length Housing Management Organisation in the period since the last report (12th April 2005 to the Executive Committee) to the end of the second quarter of the financial year 2005/06. Brent Housing Partnership is a company limited by guarantee and wholly owned by Brent Council. It was established in October 2002 as an "Arms Length Management Organisation" (ALMO) by transfer of the responsibilities for management and maintenance of the Council's housing properties, along with the relevant council staff who worked on those functions. The relationship between Brent Housing Partnership (BHP) and Brent Council is governed by a Management Agreement, initially for five years, and an Annual Development Plan.
- 1.2 The report looks at the performance of Brent Housing Partnership Ltd in Key Performance areas and the progress it has made in achieving its long term aims of achieving "Decent Homes" for the Council properties under its control. It also considers progress that has been achieved in securing improved ratings thorough the external inspection process.

2.0 Recommendations

- 2.1 Members to note the progress made by BHP in delivering the decent homes programme, as well as on other significant performance indicators.
- 2.2.1 Members to agree to receive performance reports at six monthly intervals i.e. half yearly performance

3.0 Detail: Performance Monitoring Details

- 3.1 BHP performance is measured against key performance indicators. They consist of both Best Value as well as local agreed performance indicators. These provide regular information that enables effective monitoring to take place. Furthermore, external inspections and benchmarking ensure the process is rigorous, in line with other ALMO's and according to National requirements and guidelines. Quarterly monitoring of BHP takes place through the Housing Services Report, a review of performance in 2003/04, 2004/05 and 2005/06 (to date) is outlined in **Appendix 1**. This measures BHP's performance against the Service Operational Plan targets, Best Value performance indicators (BVPI) and local performance indicators.
- 3.2 Graphs depicting performance improvement on a number of performance indicators are shown in **Appendix 2**. For the current financial year this information is shown covering the first two quarters. BHP has shown consistent and steady improvement in its performance. For comparison, information on these indicators is also shown for the year prior to setting up the ALMO.
- 3.3 National developments with regards Performance, in particular the CPA change - move from quartiles to target based performance measurement (i.e. thresholds) – means there will be amendments to the performance management framework. BHP and the Housing Services have begun to incorporate these changes into the delivery plan for 2005/06.
- 3.4 The average number of days taken to complete non-urgent repairs currently stands at 12 days in the 2nd quarter 2005/06 (graph 1, Appendix 2). This matches its set target in the annual delivery plan. However, this is just below the upper threshold of figure of 11 days set by the audit commission in October 2005.¹ The lower threshold for this indicator is 24 days. BHP has over the first two quarters of this financial year demonstrated its ability to remain within the target set in its delivery plan.²
- 3.5 The 'percentage of rent loss through dwellings becoming vacant' for the first two quarters of 2005/06 is 0.57% (graph 2, Appendix 2), which compares favourably with the target of 1.30% and shows an improvement in performance over the first two quarter figures when compared with previous years. With regards to the 'rent arrears of current tenants as a proportion of the rent roll' (graph 3, Appendix 2) BHP has shown consistent improvements over the years and the performance in this area is well within the target. Additionally, with regard to the indicator 'a tenant with more than 13 weeks in arrears', BHP is continuing to exceed the set target.
- 3.6 Repair appointments kept' were 97% (2004/05), which again compared favourably with the upper quartile figure of 95.27%. With the introduction of the CPA thresholds, the upper threshold has decreased from the quartile figure and is set at 85.60%. BHP's performance over the first two quarters (97%) has far exceeded this target. Historically, this was an area that has

¹ CPA – The Harder Test, Audit Commission, [October 2005]

² Following the Housing Inspection process in 2003 BHP altered its monitoring systems as previous performance data did not include time taken to carry out surveys of properties prior to works orders being raised. This accounts for the increase in the number of days between 2002/03 and 2003/04.

generated a high level of complaints and tenant dissatisfaction. However, BHP's introduction of a range of initiatives to improve performance and customer service in this area is demonstrated the results. To compliment this, BHP has also been improving its performance on the 'percentage of repairs finished on first visit' to stand at 91% in Quarter 2, 2005/06 (graph 4, Appendix 2).

3.7 Progress on Delivering Decent Homes

3.7.1 Setting up BHP was only the first stage of the process of securing additional funds. Since then much progress has been made. BHP are currently just over half way through a 4 year investment programme to achieve the decent homes standard in all Council homes by April 2007. As was reported in April 05, BHP have secured;

- A 3 star rating from the Housing Inspectorate (June '03)
- £53.9M ALMO borrowing for the Round 2 ALMO stock
- A £14M ring-fenced investment programme for the 775 properties intended to be retained at South Kilburn

3.7.2 Significant progress has been made towards attaining the decent homes standard for all Council tenants, At the start of programme the number of non decent properties in the ALMO stock was 4891 of these 2807 have been made decent (2nd quarter figures 05/06) Although it was reported in April 05 that BHP had revised its yearly target from 29.7% to 41% (in light of improved performance), a revision of the calculation methodology meant changes to the way this figure is reported. The outturn for 2004/05 hence, is -29.6. The estimated percentage of change in the proportion of non-decent local authority homes at the end of the 2nd quarter is 18.5% [i.e. since the end of 2004/05].

3.7.3 In addition to its own decent homes performance targets, which are set by BHP, it is striving to achieve the Local Public Service Agreement targets agreed by the Council and the Government. The new target will require BHP to bring another 200 properties up to the decent homes standard by year ending 31st March 2006.³ This achievement of this LPSA target is well within reach.

3.7.4 The Council and BHP are in the process of finalising the third phase of the capital programme and are looking at options for bringing works forward for those properties not in the current programme.

3.7.5 Brent Housing Partnership let four partnering contracts in year 2 of the Round 2 ALMO Decent Homes Programme which have delivered significant savings in unit costs compared to the traditional contracts that operated in year 1. BHP has also let partnering contracts for the South Kilburn ALMO extension where internal refurbishments are currently on site.

4.0 Financial Implications

4.1 Whilst BHP is a limited company (albeit owned by Brent Council) its expenditure forms part of the Council's statutory Housing Revenue Account (HRA) directly through spending HRA resources on items such as repairs and maintenance or indirectly through the fee paid to BHP for managing the dwelling stock.

³ Local Public Service Agreement

- 4.2 BHP has its own board which oversees BHP's operations and policies. BHP's the delivery vehicle for the management, maintenance and implementation of the 'Decent Homes' programme. The national ALMO programme assumes a high level of delegation to the delivery vehicle and this model has been adopted by Brent; this does necessitate the Council needing to consider the most appropriate means of ensuring that the ALMO undertakes its work in an appropriate manner, offers 'Value for Money' (VFM) and spends its money with regards to standards expected of the public sector.
- 4.3 High level budgetary control is undertaken by the Head of Finance (Housing and Community Care) who is also responsible for the co-ordination and compilation of the overall HRA (including the completion of the Housing Revenue Account Subsidy (HRAS) claim).
- 4.4 Regular meetings are held between the Head of Finance and BHP and the flow of financial information is formalised. As regards budgetary control there is nothing arising in the financial year that concern officers at present.
- 4.5 It is noted that the Executive (14 February 2005) agreed a joint review process for HRA/BHP expenditure during 2005/06.
- 4.6 It should be clearly understood that whilst BHP is responsible for the management and maintenance of the stock and rent collection, the tenants remain council tenants and the Council retains responsibility for setting rents and maintaining the HRA.

5.0 Legal Implications

- 5.1 Brent Housing Partnership (BHP) is the Council's wholly owned arms length housing management organisation, it is a company limited by guarantee. BHP commenced operating on 1 October 2002 on which date the Council transferred the majority of its landlord functions in respect of the Council's housing properties, along with the relevant Council staff who performed those functions. The relationship between BHP and the Council is governed by a Management Agreement, initially for five years, and an Annual Development Plan.

6.0 Diversity Implications

- 6.1 A review of BHP's Equalities Scheme in 2004 by the Housing Quality Network (HQN) found that BHP had made significant progress in implementing year 1 of the scheme relating to repairs, human resources, governance, neighbour relations management, tenancy management, right to buy, procurement and customer satisfaction.
- 6.2 Equalities Impact Assessment training was carried out in December by HQN for relevant managers of services covered by years 2 and 3 of the Equalities Scheme.
- 6.3 The HQN report also recommended further equalities training for members of the Equalities/Diversity Sub Committee and the BHP board has agreed that this will be made available to all board members

- 6.4 BHP has made significant progress in the exercise to improve record keeping of the ethnicity of tenants. Tenancy records on the 1st Housing database now include ethnicity data on 76% of households, compared to 44% in 2003-04.

7.0 Staffing/Accommodation Implications (if appropriate)

There are no staffing implications arising from the report.

Background Papers

Audit Commission Inspection Report Summary

BHP Business Plan 2003 - 2008

Housing Services Performance Reports

Local Public Service Agreement

Vital Signs

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Appendix 1

Brent Housing Partnership 2005/06

	Performance Indicator	Outturn 01/04/2005	Baseline	Q1	Q2 Plus cumulative	Q3 Plus cumulative	Q4 Plus cumulative	Target 2005/06	Current Performance
BV74a	The % of all council tenants or representative sample of tenants, stating they are satisfied with the overall service provided by the Landlord	75.00%	76%	Annual				80%	
BV74b	Satisfaction of tenants with their landlord's service – black and minority ethnic tenants	78.00%	80%	Annual				80%	
BV74c	Satisfaction of tenants with their landlord – non-black and minority ethnic tenants	74.00%	79%	Annual				80%	
C2	Percentage of repairs for which appointments were made and kept (excluding emergencies)	97.00%	97%	97%	97%			97%	Green
C3	Percentage of repairs completed within government time limits	93.00%	93%	93%	95%			95%	Green
C4	Average days to complete non-urgent repairs	18 days	14	[12]	12			12	Green
C5	Percentage of repairs finished on first visit	85.00%	85%	84%	91%			90%	Green
BV66a	Rent collected by the local authority as a proportion of rents owed on HRA dwellings	96.30%	Annual figure	Annual				96.40%	

BV66b	Number of council tenants with more than 7 weeks gross rent arrears as a % of total number of council tenants.	N/a	New	13%	11.74%			13%	Green
BV66c	% of council tenants in arrears who have had Notice of Seeking Possession served	N/a	New	4%	5.96%			15%	Green
BV66d	% of council tenants evicted as a result of rent arrears	N/a	New	0.26%	0.41%			0.50%	Green
C7	Rent arrears of current tenants as a proportion of the rent roll	3.30%	3.50%	3.26%	3.20%			3.30%	Green
C11	Percentage of tenants in arrears over 13 weeks	7%	7.20%	6%	6.00%			6.50%	Green
BV184 a	The proportion of LA homes which were non-decent at start of financial year	43.28%	46%	Annual				28.01%	
BV184 b	The percentage change in the proportion of dwellings between start and end of financial year	-29.62%	40%	Annual				-49.93%	
BV63	Average SAP rating of Local Authority owned dwellings	65.9	55	Annual				68	
BV211 a	The proportion of planned repairs and maintenance expenditure on HRA dwellings compared to responsive maintenance expenditure on HRA dwellings	N/A	New	Annual				75% Planned 25% Responsive	
BV211 b	Proportion of expenditure on emergency and urgent repairs to HRA dwellings compared to non-urgent repairs expenditure to HRA dwellings		New	Annual				Consult with tenants	

BV212	Average time taken to re-let council housing	34 days	New	31	33			40 days	Green
BV75a	Satisfaction of council tenants with opportunities for participation in management and decision making in relation to housing services provided by Landlord	73.50%	75%	Annual				77%	
BV75b	Satisfaction of ethnic minority council tenants with opportunities for participation in management and decision making in relation to housing services provided by landlord	71.00%	79%	Annual				77%	
BV75 C	Satisfaction of non ethnic minority tenants with opportunities for participation in management and decision making processes provided by landlord	76.00%	75%	Annual				77%	
C	Payment of non disputed Invoices		86%		89%			84%	Green
	Local: Tenant Satisfaction with major works	95%		Annual				95%	
	No of vacant properties – NEW Q3	281		255	263			281	Green
	Local: Percentage of rent loss through dwellings becoming vacant	1.30%		0.34%	0.57%			1.30%	Green
	Local: Percentage of properties with a valid gas certificate	100%		98%	99.5%			100%	
	Performance on service charge collection (note this is % of total annual bill the target for qtr 2 was 50%)	100%		[15%]	48.31%			100% (mid year target – 50%)	

	Local: Number of racial incidents reported and percentage which resulted in further action			67% (2/3)	67% (8/12)				
	No of vulnerable tenants NEW Q3			1349	1164				
	Local: Percentage of vulnerable tenants visited against quarterly targets (Please note: The figure should not include % of visits made but the % of vulnerable tenants visited).	100%		108%				100%	Green
	New Definition: Percentage of vulnerable tenants visited in compliance with 6 monthly visit programme				59%				
	Members & Ombudsman Enquiries								
	Domestic violence cases resolved	80%		83% (5/6)	55% (6/11)			80%	Red
C13	Percentage of stage 1 complaints answered in 15 working days	79%	81%	57% 9 days	73%			85% 15 days	Red
C14	New stage 2 complaints as a percentage of stage 1s	20%	21%	25% 14 days	17%			20% 20 days	Red
C15	Percentage of phone calls answered in 15 seconds	81%	81%	82%	84%			87%	Amber
C	Correspondence replied to		87%	89%(13 w/days)	90% (13 days)			90% 20 days	Green

2004/05

Brent Housing Partnership Indicators 2004/05

Indicator	Outturn 03/04	Baseline	Q1	Q2 Plus cumulati ve	Q3 Plus cumulati ve	Q4 Plus cumulati ve	Target 2004/05	Current Qtr
BV63: The average SAP rating of local authority owned dwellings	54	n/a	Annual			65.9	54	pending
BV66(a): Proportion of rent collected (altered definition from previous year)	96.3%	Debit for year	Annual			96.30	96.5%	pending
BV66(b): Proportion of rent collected excluding tenant arrears	99.6%		100.6%	100.1%	99.6%	99.8%	100.5%	●
BV74: Satisfaction of tenants of council housing with the overall service provided by their landlord, broken down by:								
All tenants	75%	No of tenants	Annual			75%	79%	●
(i) black and minority ethnic	76%	No of	Annual			78%	80%	●

Brent Housing Partnership Indicators 2004/05

		tenants						
(ii) non-black and minority ethnic tenants	74%	No of tenants	Annual			74%	78%	●
BV75: Satisfaction of tenants of council housing with opportunities for participation in management and decision making in relation to housing services provided by their landlord, broken down by								
All Tenants	73%	No of tenants	Annual			73%	77%	●
(i) black and minority ethnic	75%	No of tenants	Annual			71%	79%	●
(ii) non-black and minority ethnic tenants	71%	No of tenants	Annual			76%	75%	●
BV184: a) The proportion of LA homes that were non-decent at 1 st April 2004	a)51.06%	4116	Annual			43.96%	43.28%	●
b) The percentage change in the proportion of non-decent LA homes between 1 st April 2004 and 1 st April 2005	b) 17%		Annual			29.62%	b) 41%	●
BV185: Percentage of responsive (but not emergency) repairs during 2004/2005, for which the authority both made and kept an appointment.	97%	No of repairs eligible	97%	97%	97%	97%	97%	●
Percentage of repairs completed on first visit	83%	No of repairs	81%	82%	85%	84%	85%	●
Local: Tenant Satisfaction with major works	87%		Annual			92%	95%	●
Local: Number of tenants in arrears	3919	No of tenants	4033	4015	4477	4263		●

Brent Housing Partnership Indicators 2004/05

No of vacant properties – NEW Q3					491	281		●
Local: Percentage of rent loss through dwellings becoming vacant	1.6%	Total debit	0.5%	1%	1.4%	1.6%	1.3%	●
Local: The % of current tenants owing over 13 wks rent (net of housing benefit) exc those owing under £250.	8 %	No of tenants	7%	7.1%	7.2%	7.0%	7.0%	●
Local: Rent arrears of current tenants as a proportion of the rent roll	3.3%		3%	2.9%	3.5%	3.3%	4.0%	●
Local: The percentage of urgent repairs completed within govt time limits	93%	No of repairs eligible	92%	93%	93%	93%	95%	●
Local: The average time taken to complete non urgent responsive repairs	14 days	No of repairs eligible	13 days	15 days	14 days	18 days	14 days	●
Local: Average number of days to relet dwellings	34 days		36	35	34 days	34 days	32 days	●
Local: Percentage of properties with a valid gas certificate	96.1%		95%	95.6%	97%	98%	100%	●
Performance on service charge collection (note this is % of total annual bill the target for qtr 2 was 50%)	117%	Total service charge	12%	47%	78%	104%	100%	② ●
Local: Number of racial incidents reported and percentage which resulted in further action	8 63%		50 (1/2 cases)	50% (1/2 cases)	33 (1/3 cases)	50% (1/2 cases)		

Brent Housing Partnership Indicators 2004/05

Local: Percentage of vulnerable tenants visited against quarterly targets (Please note: The figure should not include % of visits made but the % of vulnerable tenants visited.)	78%		126%	88%	88%	97.5%	100%	●
No of vulnerable tenants NEW Q3					516	634		●
Domestic violence cases resolved	74%	No of cases	5 cases 100%	8 cases 88%	7 cases 86%	4 cases 80%	80%	●
Phone Response			81%	80%	81%	81%	100%	●
Average time taken to reply to:								
Customer Complaints (days)								
Stage 1			13	13	13	13	15	●
Stage 2			19	21	20	21	20	●
Stage 3			38	41	40	42	30	●
Members & Ombudsman Enquiries			n/a					
General Correspondence			19	16	12	13	20 working days	② ●

2003/04

Brent Housing Partnership Indicators 2003/04

Indicator	Outturn 03/04	Baseline	Q1	Q2 Plus cumulative figure where appropriate	Q3 Plus cumulative figure where appropriate	Q4 Plus cumulative figure where appropriate	Target 2004/05	Current Qtr
BV63: The average SAP rating of local authority owned dwellings	47	n/a	Annual				52	
BV66(a): Proportion of rent collected (altered definition from previous year)	96.3%	Debit for year	99.37	98.9%	98.9%	99.6%	96.25%	↑
BV74: Satisfaction of tenants of council housing with the overall service provided by their landlord, broken down by:		No of tenants			Annual			
(i) black and minority ethnic	47%		Annual			76%	Plus 5%	
(ii) non-black and minority ethnic tenants	58%		Annual			74%	Plus 5%	
BV75: Satisfaction of tenants of council housing with opportunities for participation in management and decision making in relation to housing services provided by their landlord, broken down by:		No of tenants			Annual			
(i) black and minority ethnic	46%		Annual			75%	Plus 5%	
(ii) non-black and minority ethnic tenants	47%		Annual			71%	Plus 5%	
BV184: a) The proportion of LA homes that were non-decent at 1 st April 2003 b) The percentage change in the proportion of non-decent LA homes between 1 st April 2003 and April 2004	54.64%	4116	Annual		Annual		a) 53% b) 3%	

BV185: Percentage of responsive (but not emergency) repairs during 2002/2003, for which the authority both made and kept an appointment.	94%	No of repairs eligible	96.3%		95.8%	95.8%	97%	95%	↑
Percentage of repairs completed on first visit		No of repairs	80%		88.3%	84.2%		77.6%	↑
Local: Number of tenants in arrears		No of tenants	4347		4612	4255	3919	None set (new indicator)	
Local: Percentage of rent loss through local authority dwellings becoming vacant	1.3%	Total debit	0.11%		1.45%	1.5%	1.6%	1.4%	
Local: The percentage of all current tenants owing over 13 weeks' rent (net of housing benefit) at 31 March 2001, excluding those owing less than £250.	6.45%	No of tenants	8.45%		6.4%	7.04%	8%	7.5%	
Local: The percentage of urgent repairs completed within government time limits	92%	No of repairs eligible	95%		94%	91.6%		95%	
Local: The average time taken to complete non urgent responsive repairs	9.45%	No of repairs eligible	11 days		13.27 days	14.8 days	14	11 days	
Performance on service charge collection (note this is % of total annual bill the target for qtr 2 was 50%)		Total service charge	23%		61.12%	87.5%	Figure expected early May	100%	
Domestic violence cases resolved		No of cases	10		Under review	Under review	74%	None set (new indicator)	

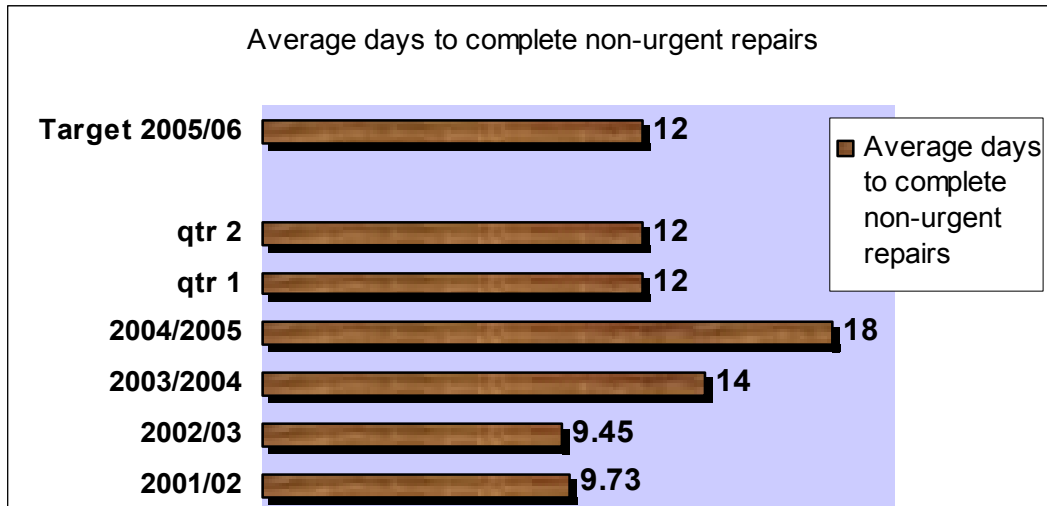
Appendix 2

The graphs below trace BHPs performance on a number of performance indicators since 2001/02 financial year up to the present mid-year statistics. .

Graph 1

Business Plan Statistical Appendix (Section E6)

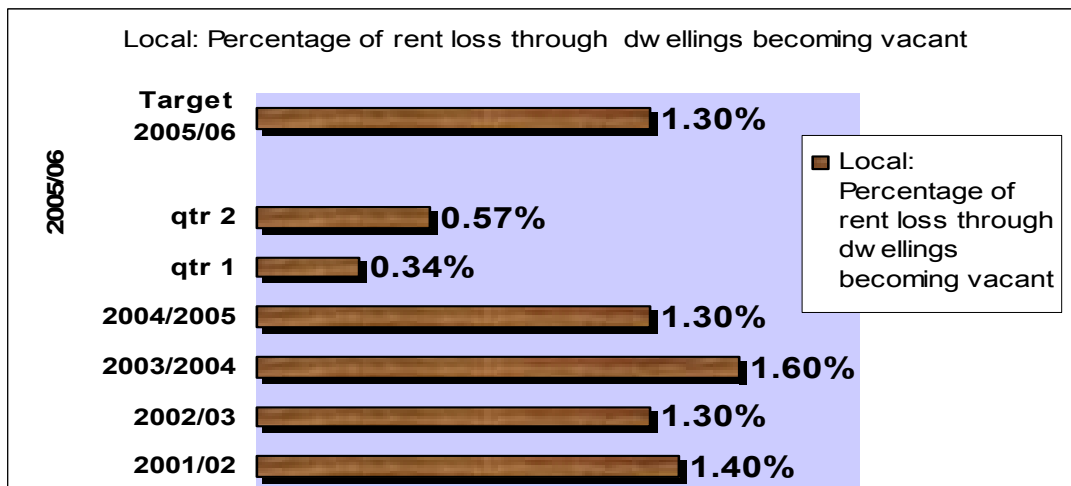
PI: Average time for non-urgent repairs.



Graph 2

Local

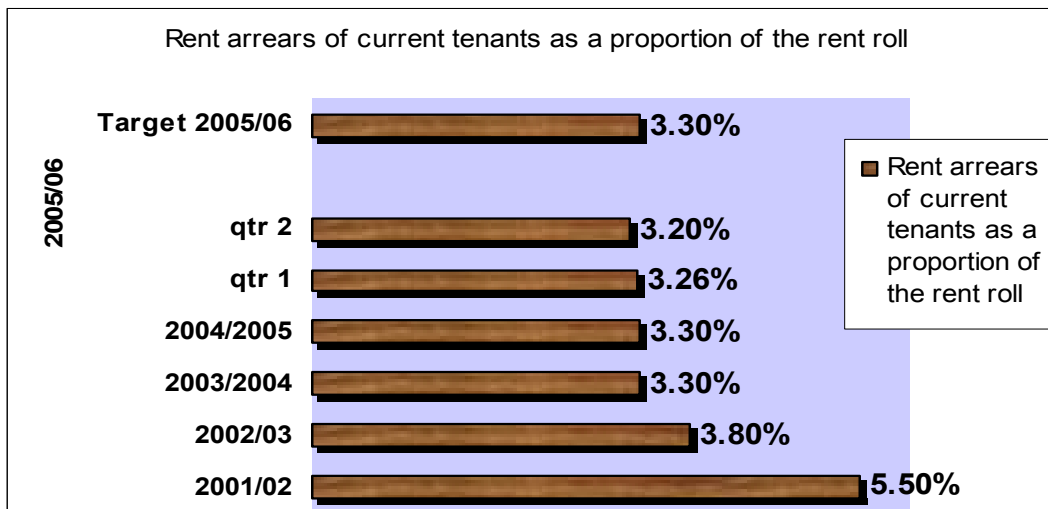
PI: Percentage of rent loss through dwellings becoming vacant



Graph 3

Local

PI: Rent Arrears of current tenants as a proportion or the rent roll



Graph 4

Local

Percentage of repairs finished on first visit

