

UTTLESFORD DISTRICT COUNCIL

**HOUSING REVENUE ACCOUNT
BUSINESS PLAN**

2012 - 2042

DRAFT

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EXECUTIVE SUMMARY

This business plan is produced in order to set out the Council's overall aims and objectives for the housing service, as a landlord of just under 3,000 homes. It analyses the current position of the service and the homes and sets out the actions planned to achieve the Council's objectives. It reflects consultation carried out with residents, members and wider stakeholders. It provides a framework for monitoring and evaluating progress in delivering the plan.

The Plan forms a key part of the Council's preparation for HRA self financing. This is a major change in national housing finance which introduces new opportunities for the Council's housing service but also exposure to risks, which will need to be managed actively.

The projections contained in the plan demonstrate that the HRA can remain fully self-funding for the lifetime of the plan and can meet all its obligations under self-financing.

DRAFT

SECTION 1: INTRODUCTION

This business plan sets out the Council's overall aims and objectives for the housing service, as a landlord of just under 3,000 homes. It is a key document and sets out the Council's plans for the management, maintenance and investment in its stock. It is a vital tool for seeking continuous improvement in the quality of the housing service.

The plan looks at the current position and how this might change, with reference to:

**Stock Condition
Rents**

**Decent Homes
Tenants Views**

**Service Delivery
Housing Need**

It will need to take account of the Strategic Tenancy Strategy when this is developed.

It is primarily concerned with the Authority's landlord role and should be read in conjunction with the Council's Housing Strategy Statement, which has a wider cross tenure strategic purpose and establishes objectives for meeting housing need in Uttlesford in the coming years including the potential for the introduction of affordable rents.

The plan contains an investment programme, formulated on a 5 year and a 30 year basis, reflecting many of the Government's targets and requirements for a longer term planning cycle. The 30 year projections are based on the most up to date information available. Information from the stock condition survey, completed in August 2009, has been built into the model on which the projections have been based. With the comprehensive information available, the business plan will be a key element in informing the future direction of the Housing Service.

The plan also demonstrates the Council's performance as a landlord and identifies proposals and improvements made through internal and external reviews. This will ensure that the Council optimises its efforts and use of resources to improve the standard of homes and contribute to tenants' enjoyment of a decent quality of housing.

In summary the Business Plan:

- examines the current position and the Council's performance as landlord
- estimates the money that that will be needed over the next 30 years to manage the housing stock and ensure that it is properly maintained
- sets out the Council's aims for the housing service it provides and explains the priorities
- sets out a 5 year plan for capital investment and maintenance
- sets out a 5 year plan for service development and improvements
- compares how much money is needed with the amount that will probably be available
- summarises the main policies and plans for council housing
- identifies options for additional investment as resources become available immediately and throughout the lifetime of the plan

Housing Reform

The social housing landscape has clearly changed since the general election in May 2010. The coalition Government has laid plans to reform social housing through the Localism Bill, which was introduced to parliament on 13 December 2010. The Government confirmed that

the housing subsidy system will cease to operate and be replaced by self-financing. Self-financing will put all local authority landlords in the position where they can support their own stock from their own income.

The Government is also introducing a range of reforms to the way social housing is delivered. These include giving greater flexibility to social landlords to determine the types of tenancies they grant to new tenants. Landlords will be able to offer lifetime tenancies where this is needed, but also to set shorter tenancy periods where that makes more sense. The rights of existing secure and assured tenants will be protected.

Councils have become the housing provider for those who are most vulnerable and judged to be in greatest need. As a result of this changing profile of council tenants, landlords have to recognise and react to the implications this has for service provision.

In October 2010, the Government announced that the Tenants Services Authority (TSA) was to be abolished and its regulatory responsibility transferred to the Homes and Communities Agency (HCA). With the planned changes to the Audit Commission the inspection regime will continue to evolve, however the regulatory framework and the spirit of co-regulation that the TSA has fostered is likely to remain.

Self Financing

From April 2012 the national housing subsidy system will end. This will mean that the Council will no longer have to make annual payments to government. Instead the Council will make a one off payment to government (currently estimated at around £86m) in March 2012. After that point it will be able to retain all surpluses from its landlord activity, and use these to support its future business plan on a self-financing basis. It will continue to have to account for its landlord activity in a separate ring fenced Housing Revenue Account (HRA).

Two elements of national control of Council housing finance remain. The Council will continue to have to pay 75% of the proceeds of any right to buy sales to government. The remaining 25% will be ring fenced to be used to achieve the Council's broader housing objectives for affordable housing. Secondly the government has imposed a limit on the amount of money the Council can borrow, and reserves the right to reopen the settlement in the event of major changes in housing policy. The borrowing limit constrains the ability of the Council to consider major regeneration and new build projects financed from this HRA business plan. If the borrowing limit is relaxed, as a result of government decisions in future spending reviews, this would increase borrowing capacity and enable a wider range of options to be considered.

Self financing means that for the first time the Council can set long term plans for the future of its housing stock and housing services. The self financing settlement represents an increase in resources compared with the existing subsidy system. The change means that responsibility for long term business plan and debt financing moves from central to local government.

The Council will take responsibility for long term asset management. Although borrowing levels are limited by current government spending restrictions, in general there will be less top down regulation. The change means that the Council faces increased risks, particularly around long term asset management, inflation and interest costs. This business plan is designed to manage those risks and to put the Council in a position to take advantage of the freedoms and flexibilities offered by self financing in order to improve its housing stock and services.

The plan supports the two key elements of the government's housing policy; to continue to maintain its properties at the decent homes standard, and to set rents based on national policy, moving current rents to target by 2015/16 (rent convergence).

Consultation

The Council will continue to monitor, review and develop the business plan in consultation with all stakeholders.

To ensure that the Business Plan is developed in an effective and inclusive way a Housing Board has been established. This group is made up of tenant representatives, members and key officers from the Housing, Planning and Finance Departments. The board plays an important part in the development of the plan and will continue to play an important part in monitoring progress of the action plan.

Tenants and leaseholders are able to comment on and suggest changes to the Council's strategic ambitions through regular consultations. They are also encouraged to submit ideas and priorities for the housing service



SECTION 3: BACKGROUND INFORMATION

Uttlesford

Uttlesford is a sparsely populated rural locality in Northwest Essex. The District borders Hertfordshire to the West and Cambridgeshire to the North. It is the largest District in Essex at 63,752 hectares and is mainly rural in character with four market towns - Saffron Walden, Great Dunmow, Stansted Mountfitchet and Thaxted and 56 parishes.

Uttlesford has a population of 76,800 (from the ONS 2008 based SNPP for 2011) which is set to increase over the next 10 -15 years with new housing development. 45% of residents are aged 30 – 59 with relatively few residents aged 20 -29 (9%) compared with the county average. The proportion of younger (0 –19) and older (60 plus) residents is on par with the County (2001 Census)

There are good road and rail links into London, Cambridge and Harlow from settlements in the Stansted-Cambridge and Stansted-Braintree corridors, although public transport in the more rural locations is poor. Stansted Airport lies within its boundaries.

There are 32,094 dwellings in the district, made up of the following tenures:

Tenure Nos.

Social Rented-Local Authority owned	2,874
Social Rented-Registered Social Landlord	1,223
Stock owned by other Public Bodies	687
Private Sector (rented and owner occupied)	27,310
Total	30,094

Source: HSSA April 2010



Economic Factors

The attractive rural nature of the district and its good accessibility to employment opportunities has led to high house prices. Unemployment remains low at 0.90% and household incomes are relatively higher than the national average. The average full time wage for people in employment who live in the District (but may not necessarily work here) is £30,016 per person per annum. However the average full-time wage for people who work in the District (and may not necessarily live here) is £25,959 per person per annum. This could be due to the number of people who live in the District but commute to London to work.

This tends to give an initial impression of an affluent district with little or no need. However, because of high house prices there are some members of the population, particularly younger people and those on low to modest incomes, unable to access the housing market. This has led to an increasing pressure for more subsidised affordable housing. The average house price in Uttlesford is £302,565 (Land Registry, April – June 2009) significantly higher than the national average of £224,064 (Land Registry, April – June 2009).

High housing costs have also led to a growing number of households who do not necessarily require subsidised affordable housing but, due to inflated house prices, are financially restricted from entering the private housing market. This applies particularly to 'Key Workers' and other workers on modest incomes who are key in providing public services and supporting the commercial businesses on which sustainable economic growth depends.

Housing Market

Since the last Business Plan was written, the market has started to show signs of a recovery, figures from the Nationwide Building Society showed that UK house prices increased by 0.4% in October, lifting annual house price growth into positive territory for the first time in six months. The price of a typical home was 0.8% higher than October 2010.

The average house price currently stands at £165,650 (Oct 2011). Although the short term trend in house prices has clearly improved, it is still too early to say that the market is turning definitively.

In Uttlesford in 2010, the mean house price was £335,952, which was greater than the mean house price in the East of England region at £237,668. Since 2006 there has been an increase in mean house prices of 16 per cent which is greater than the percentage increase in East of England (12%).

Affordability is still a problem in Uttlesford; in 2010 the ratio of lowest quartile mean house price to mean household income was 10.3, worse than the affordability ratio for the East of England (7.7). This makes owning a home very difficult for first time buyers and those on low incomes.



Housing Need

It is important that the HRA Business Plan reflects the known housing need in Uttlesford and the predictions of how this might change in the future.

In 2009, the Council carried out a Strategic Housing Market Assessment (SHMA) with five districts in the London Commuter Belt sub region. A Strategic Housing Market Assessment analyses the entire local housing market, which is likely to be wider than the local authority boundaries. SHMA's help local authorities develop a shared evidence base to inform the development of strategies and policies. The detailed analysis of housing need data from the SHMA is contained in the Housing Strategy, however the key findings are as follows:

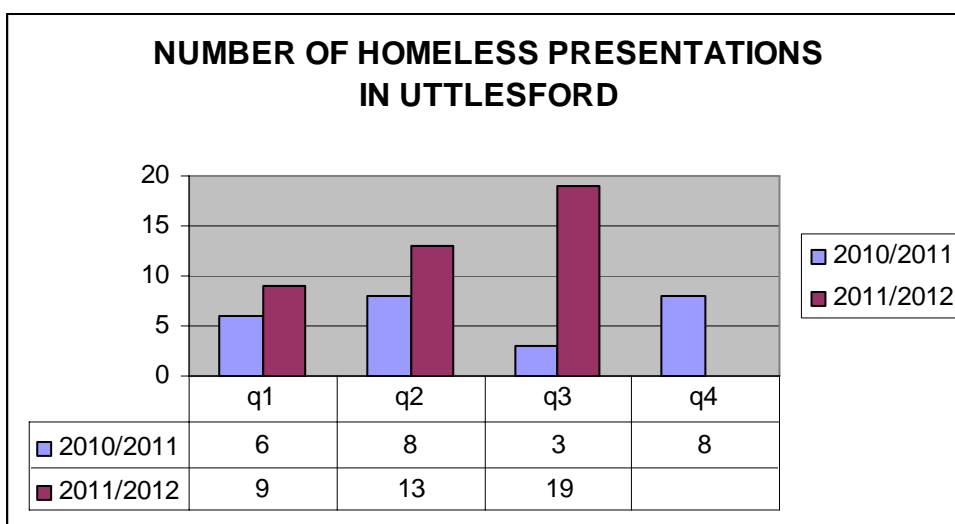
- 31,100 households are considered to be unsuitably housed, including 3,300 in Uttlesford. The term 'unsuitably housed' is used to encompass households that are homeless or have insecure tenure; households that are 'mismatched' to the dwelling they live in; households living in dwellings that lack amenities or are in a poor condition; housing with social needs that can only be resolved through a move.
- It is predicted that across the study area there are 4,800 households in housing need, 400 of those are Uttlesford residents.
- Around a quarter of all households contain only pensioners while nearly 50% contain an adult couple with or without children. Over a fifth of households contain only one adult in the form of a single person or lone parent. Younger people tend to dominate the private rented sector.
- Over the 25 year period between 2004 and 2029 it is projected there will be an additional 62,000 people living within the SHMA study area. In Uttlesford, the number of people aged 65 or over is projected to increase by 8,400 over the period, 3,700 of those people being aged 80 or over.

Other key housing needs points of relevance to this plan are as follows:

- **All applicants on the Housing register were reviewed in 2011 and as at October 2011 there were 1047 applicants on the housing register, of those 641 are in housing need**
- **The number of people seeking housing advice has continued its upward trend and there has also been an increase in the number of potential and actual homeless cases**
- **Overall the level of housing need outstrips the supply of social housing**
- **In the first quarter of 2011 the Council have taken 17 full homeless applications compared to 11 for the same period last year, some of which have been very complex and requiring a multi agency approach**

Homelessness

Uttlesford has seen a steep increase in homelessness presentations in the past year as demonstrated in the graph below. This is a trend being reported by all local authorities. The government's official homelessness statistics show that from July to September 2011 there was a 14% rise in applicants accepted as homeless by local authorities over the same quarter in 2009. Even on a seasonally adjusted basis, this was 12% higher than the first quarter of 2011. Research shows that the number of homeless households will continue to rise as the economic downturn and benefit reforms take affect.



Housing works closely with the Uttlesford Citizens Advice Bureau to prevent homelessness and refers to them cases requiring financial advice or support through the court eviction processes. The bureau is experiencing an increase in demand for their services and within their present budget they are finding their services stretched.

With the agreed demolition of Mead Court which is currently being used to provide emergency temporary accommodation a facility will need to be provided if the Council are to continue to reduce the need to use bed and breakfast accommodation other than in extreme emergencies.

Supported Housing - Young People and Vulnerable Adults

Uttlesford currently only has one scheme of general needs supported housing. Bromfield House in Saffron Walden provides 17 units of shared supported housing for people, predominately but not exclusively young, who need support to develop life skills before they are ready to live independently.

Whilst this scheme can assist clients with mental health, drug and alcohol issues, it can only do this for those at the lower level of support needs. The scheme is also often at full capacity leaving clients with support needs being housed in unsuitable accommodation. There is also, within the District, a lack of supported housing for those with higher and multiple support needs. Housing people in inappropriate accommodation causes management issues and tenancy failure.

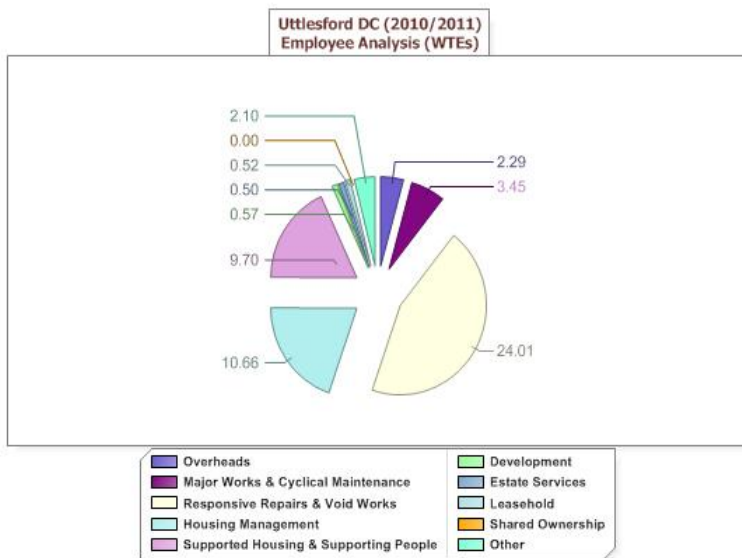
Specialist Refuges - Victims of Domestic Violence

Domestic violence is one of the most complex issues requiring the co-operation of numerous statutory and voluntary agencies at a national as well as regional and local level. It is not a popular issue or one that easily attracts funding. It is however an issue that has been under resourced within Uttlesford where there has never been refuge provision within the district for victims of domestic abuse.

In the period April 2011 – November 2011 there was a 36% increase in the number of reported cases of domestic violence within Uttlesford. It is recommended that Local authorities provide 1 refuge space per 10,000 of population, depending on local needs. This would indicate that Uttlesford should consider providing a refuge of between 7 – 8 spaces. Currently Uttlesford victims of domestic abuse are referred out of area when they require a refuge, which may be appropriate; however Uttlesford is not providing any reciprocal services.

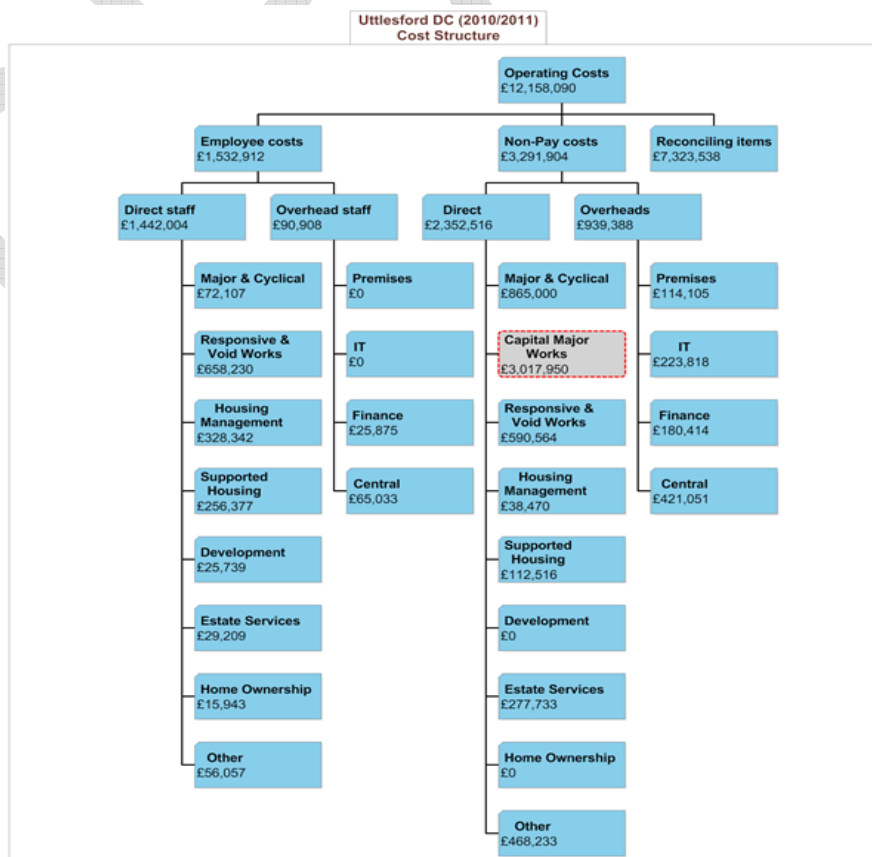
The Housing Service

The Housing Service provides management and maintenance for 2,876 homes, 221 leasehold properties plus 586 garages within the Housing Revenue Account. Equally it performs the statutory duties in relation to advice and homelessness. There are around 80 staff delivering the housing service. The roles are diverse and include sheltered housing officers and maintenance operatives as well as office based staff and staff with technical roles. There are few problems with recruitment and retention, although there can be difficulties in recruiting to specialist roles such as development officers. The following chart shows the number of staff engaged in each activity within the service.



Housing staff attend courses to ensure their knowledge in the housing field is current and that best practice is always used. Staff are also encouraged to study for professional qualifications, including both day release and distant learning. UPerform, the Council's appraisal scheme, identifies the training needs of staff and the division has its own training budget to meet identified needs. In addition all staff have access to 'Learning Pool' an interactive learning system.

There is currently a corporate process underway to review the structure of the housing team to ensure that some of the additional functions that will be required under self financing are fully covered. The following chart shows the current breakdown of employee costs within the Housing Revenue Account in comparison to non-pay costs:



Choice Based Lettings

In 2007 the Council agreed that a Choice Based Lettings (CBL) scheme should be developed for Uttlesford. The government had set a target that all housing authorities should be operating a CBL scheme for allocating social housing by 2010. The government considers that CBL schemes can enhance mobility between areas and tenures and provide a balance between the needs of prospective tenants and choice and so may contribute to sustainable neighbourhoods.



The Council joined a Consortia of five other Local Housing Authorities (Broxbourne, Epping Forest, Chelmsford, East Herts and Brentwood), and 25 registered social landlords and successfully bid for government funding to assist with the development and initial set-up of a CBL scheme. The CBL scheme called HomeOption went live in November 2008.

Between April 2010 and March 2011, a total of 350 properties were let via the HomeOption system, 207 of these properties were Council owned. Where properties become empty the Council have set targets on its various properties from the date the key is returned to the date the next tenant gets the key to their new home.

The Council needs to ensure that with an increase in demand for social housing that its own stock is used in the most effective way. In some cases an increase in the void period may be because possible tenants did either not bid or did not wish to take up the offer of that property. This is particularly an issue for some of the Council's sheltered housing schemes where average re-let times are 128.11 days compared to 28.28 days for general needs properties.

Tenure

The tenancy agreement sets out the rights and responsibilities of tenants and the Council. The Council provides support and assistance to tenants who need it to sustain their tenancy. The tenancy agreement includes grounds for possession in the case of breach of tenancy. Eviction through a court order is used as a last resort in the case of continuous tenancy breach.

New tenants are offered an introductory tenancy which is converted to a lifetime secure tenancy following a period of 12 months providing there have been no major breaches in the tenancy agreement in that time.

The Localism Act provides for a new form of tenancy for local authority tenants. It includes a new statutory requirement for all social landlords "to offer and issue the most secure form of tenancy compatible with the purpose of the housing and the sustainability of the community". This means that Councils will no longer be required automatically to let all new tenancies on long term secure tenancies (with or without an introductory or probationary period) but will have the option to issue fixed term tenancies in some cases.

The Council is currently developing its tenure strategy to respond to these changes to the law and to consider the circumstances in which it may offer fixed term tenancies. The majority of tenancies offered will continue to be lifetime secure tenancies but there may be circumstances where the offer of a fixed term tenancy can meet an identified need, and make better use of the asset. The Act introduces a further change to succession rights for all new tenancies. Currently tenants have one right of succession and can pass their tenancy on (in the event of their death) to a spouse/partner or certain qualifying family members. The law now allows only for succession to a spouse or a partner.

Repairs and Maintenance

Approved Contractors under measured term contracts, using schedules of rates, carry out the Council's response maintenance. In 2010 new contracts were tendered for and entered into under EU procurement arrangements. The Council also has its own team of operatives. Contract performance procedures are in place to ensure the quality and efficiency of the service.

The Council carry out a rolling repairs satisfaction survey. An analysis of tenants' satisfaction shows that overall, 97% of tenants were satisfied with the repairs service.

The Council's Repairs Service has a dedicated 'call centre' to deal with tenants enquiries and requests for repairs.

Repair requests are entered straight onto the housing repairs system, which contains a full property history for each dwelling, and has links with contractors.

The Council recently implemented a re-structure of the Housing Repairs Service, to provide a more streamlined, customer-focussed and co-ordinated approach.



Sustainability

It is the Council's aim to promote and encourage activities which minimise harmful environmental impact, reduce levels of pollution and create a cleaner and healthier environment. The Council is also committed to the principal of sustainable development and schemes which have an impact on the quality of life for now and the future.

A key priority of the business plan is to deliver the actions set out in the Uttlesford Natural Resources Management Plan.

Partnerships

The Council has a wide range of experience of partnership working across a range of projects and places great emphasis on its Procurement Strategy in seeking out mutually beneficial arrangements for delivering service outcomes in partnership with others. The most significant example of successful partnership working has been the Council's involvement with Registered Social Landlords and developers through the planning process, to deliver low cost housing in the district to replace Council dwellings sold under the Right to Buy.

The Housing Service also continues to develop good partnership working with other local authorities, companies and agencies for example the Homelessness Partnership.

Continuous improvement and value for money is the ultimate aim and the Council will attempt to explore new partnership initiatives, wherever possible.

Equality and Diversity

The Housing Service is fully committed to ensuring equality of treatment for all customers without discrimination or prejudice based on a person's class, gender, sexual orientation, ethnic origin, nationality, age, disability or illness.

As well as having corporate policies in place Housing Services have produced "Equality Impact Assessments" for all of its housing policies and strategies.

In 2008 the Council carried out a survey of tenants and amongst other things, a number of questions were asked to find out how diverse and different the people who live in the Council's homes are. For example tenants were asked questions about their ethnic group, disabilities, gender and if English is their main language. This information is now asked when applicants complete the on-line housing application. This useful information will ensure that appropriate services are provided where needed.

A further survey of tenants is planned for 2012.

The Council complies with the Human Rights Commission's Racial Equality Code of Practice in Rented Housing.

Rent policy

The business plan reflects the Council's current rent policy. This reflects national social rent policy to move Council rents to a target formula rent based on property value and local earnings. The aim of this policy is that rents charged by all social landlords (whether council or housing association) converge. This business plan assumes convergence by 2015/16. Any divergence from this policy will impact on business plan resources and on the deliverability of actions in this plan. The rent applied to re-lets is for the full target formula rent.

Affordable rents

The localism act provides a further flexibility on rents. This would allow the Council to charge higher rents on new build properties and a proportion of re-lets, in order to fund new development. This would mean the Council could charge up to 80% of market rent on these properties. The proceeds would be used to fund new development and cannot be used to increase business plan resources generally. The Housing Strategy will consider the potential contribution affordable rents could make to addressing the need for affordable homes.

Rent collection

The regular and effective collection of rent is essential for the future financial viability of the service.

Tenants are given advice at the start of their tenancy on the successful management of their rent account and advice on access to welfare benefits and payment mechanisms.

Tenants can pay rent through numerous methods including in person, by telephone, by post, standing order and direct debit. Tenants

The Council has in place procedures to escalate action to tackle rent arrears. Should an account fall into arrears tenants are contacted within 2 weeks and offered advice and assistance in drawing up a repayment plan and preventing further arrears.

Tenant and Leaseholder Involvement

The Council is fully committed to involving the residents of its housing in service development and improvement, as well as consultation in terms of current service delivery and future service planning.

Following extensive consultation with Tenant Representatives a Tenant Compact was introduced on 1 April 2000 and was reviewed in 2003, 2009 and again in 2011.

The Council employs a full time Tenant Participation Officer who is seen as a vital link between the Council and its tenants and leaseholders. Tenant Participation has been in operation since 1995 and has greatly assisted the Council in improving its practices and procedures. Tenants and leaseholders play a major role in the consultation process, for example:

- stock option proposals
- production of the annual Housing Strategy
- Statement
- production of the annual Housing Business Plan
- production of the Decent Home Action Plan
- production of the new Tenants Handbook in 2011
- allocations policy
- development of the repair and improvement programme
- improvement of the Housing Service
- selection of contractors

Tenant and leaseholder involvement is seen as vital when considering the aims and objectives of all housing related issues across the district.

Tenant Panel representatives are invited to sit on the Housing Board where they have full voting rights. In addition they may be invited to sit on any other appropriate Working Parties in order that they may have involvement in proposals, ideas and initiatives.

The work between the Council and the Tenant Forum has greatly assisted the Council in improving its practices and procedures.

The minutes of tenant meetings are made available to councillors for information thus ensuring the link between Panels and councillors is maintained.

Local Offers

These represent a way of tailoring the services of social housing providers based on what tenants want. All providers must ask tenants if they want local offers against the Tenants Services Authority's (TSA) national standards. Throughout 2010, the Council worked with residents in developing local offers in the following ways:

- **Resident surveys**
- **Consultation with Resident**
- **Forums and Focus Groups**
- **Analysis of housing complaints**



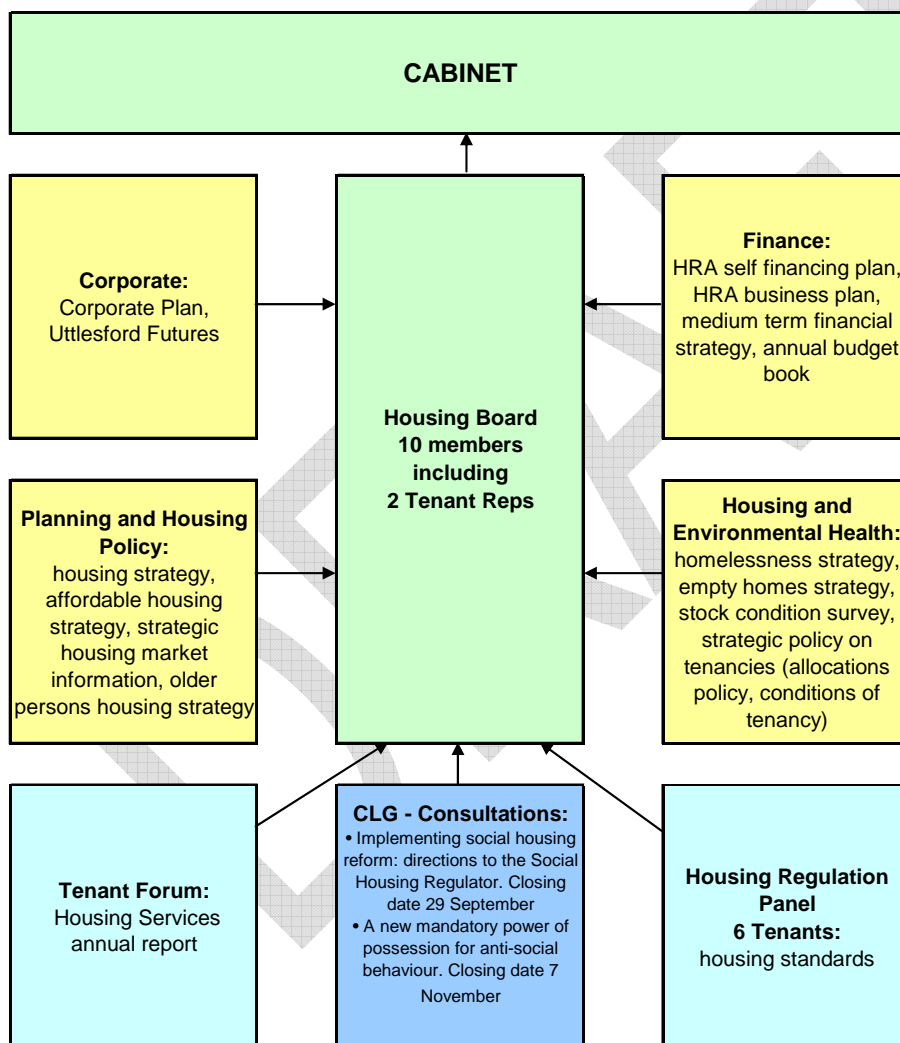
Housing Officer Nick Edwards at a residents meeting

It is hoped that this continued level of involvement will encourage more tenants to participate. The involvement of residents in the Business Planning process is recognised as being of primary importance and officers have worked with residents throughout 2010 and 2011 in developing our local offers. As part of this process, residents have assisted in the establishment of the strategic objectives for the council's housing stock.

The annual report to tenants sets out what these standards mean to tenants and how well the service performs in delivering them.

Decision Making

In 2011 the Council created a Housing Board, consisting of members and tenants, where all matters relating to the Council's housing strategic role and housing management function will be monitored and reviewed. The new Housing Board will hold officers to account on aspects of performance and assist with influencing policy development and budget setting.



Reports from the tenant forum and housing regulation panel feed into the board for discussion and action. Recommendations from the Board are taken to the Cabinet.

The Cabinet consists of senior elected councillors who make most of the Council's important decisions. They are guided by the "Housing Portfolio Holder", who is a member of the Cabinet with special responsibility for housing matters. The Housing Portfolio Holder also

sits on the Housing Board. The Full Council, however, retains the responsibility for the policy framework, which includes this Business Plan.

Council officers advise the board on housing matters and ensure that the decisions made by Cabinet are implemented. The Assistant Director of Housing and Environmental Services is responsible for managing and maintaining the Council's homes. The Assistant Chief Executive (Finance) is responsible for managing the Council's finances.

Monitoring Progress and Performance

Since the last business plan the Council has developed a stronger and more coherent Housing Service Divisional Plan and monitoring framework. Corporate Objectives, Strategic Priorities, and options identified in the Council's Housing Strategy and Business Plan are drawn together in the Housing Divisional Plan to produce team targets for each team within Housing Services. These targets then link directly to Performance Indicators and targets.

The Housing and Environmental Service Divisional Plan works in two ways. It allows Members and senior management to gauge progress against agreed targets. Also front line employees can connect their day to day tasks with the Council's corporate ambitions.

The Divisional Plan is monitored at monthly meetings with Service Heads so that progress against priorities, objectives and targets is constantly under review. Performance is monitored by recording and analysing statistical information and progress is shown graphically using 'traffic light indicators' (where green shows work on target or ahead of schedule and red shows that we are at risk of not delivering projects).

Performance in the last year has been strong in the following areas:

- Rent collection
- Tenant satisfaction with repairs
- Decent Homes delivery
- Gas servicing

This same monitoring has identified the following areas where performance could be improved:

- The time taken to re-let voids (major works)
- Number of void sheltered units
- The % of properties accepted on first offer

A full list of the most recent performance indicators relating to the service is set out in the Appendix.

Where performance does not meet targets, an action plan is developed, implemented and monitored, with tenant input where appropriate. For example in 2010 the Council carried out a review of its void re-let process. The focus of the review was to improve performance in relation to how quickly voids are re-let and therefore to reduce the amount of rent lost from void periods. As part of the review officers visited other local landlords to understand and learn from best practice elsewhere. As a result of the review an action plan was developed.

The implementation of the action plan has been reviewed. This has shown the following results:

- Improvements in the management of voids, including weekly void meetings, clear responsibilities, improved record keeping

- Changes in operational processes including exit surveys for outgoing tenants and pre void inspections to improve the condition in which properties are left, accompanied viewings to improve acceptance rates, improved information for new tenants
- Improved void turnaround times, and improved proportion of homes accepted on first offer

In all service areas performance targets are set to achieve continuous improvement and to aim for performance to be in the top quartile when compared with similar social landlords in the area.

The Council also compares its performance regularly with other landlords through the Chartered Institute of Housing and National Housing Federation's benchmarking service, Housemark.

Following the demise of the TSA and the Audit Commission performance management information will in future be regularly monitored by a Housing Regulation Panel made up of tenants, the Housing Board and through the Council's Senior Management Board (SMB

Budget Monitoring

Budgets are monitored on a monthly basis by relevant staff as a minimum and problems if identified are addressed at an early stage. Close ongoing monitoring of the housing revenue and capital programme budgets has enabled the Council to ensure that available resources are used efficiently.

Officers re-assess the programmes to ensure that the resources resulting in any savings are used fully and effectively. For example savings from extremely competitive tenders received last year enabled the Council to re-direct money towards other major projects.

An analysis of spend on responsive repairs identified areas that could be addressed much more effectively by larger planned capital schemes. This has resulted in a more cost effective use of limited resources.

SECTION 3: ASSETS

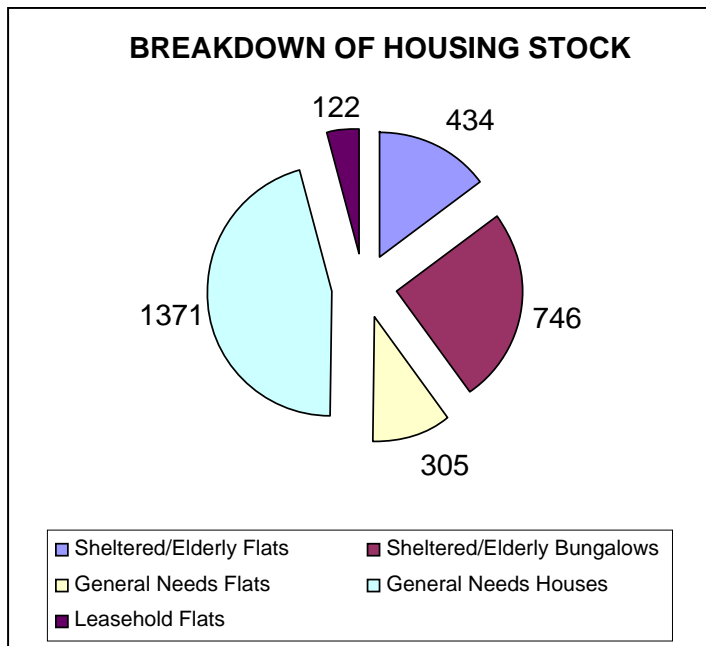
Council Owned Housing Stock

The Council's housing stock is a valuable asset. As a major provider of social housing the Council makes a significant contribution to meeting the need for affordable housing in the district. The stock has been well maintained, with an investment strategy targeted at bringing all homes up to the decent homes standard.

Tenant feedback indicates a high level of satisfaction with the quality of homes. Demand for homes is high across the stock. There is also evidence of a desire for an investment standard that delivers more than basic decent homes, with a focus on energy efficiency and sustainability as well as environmental improvements, such as improved parking provision.

The Council's stock, as at 1 April 2011, was 2856 rented properties. In addition to the tenanted stock there are 122 right to buy leasehold properties that the Council continue to manage.

The breakdown of the stock is as follows:



Planned Works

The Council undertakes a programme of rolling stock surveys and the stock condition database is regularly validated and updated with historic works records.

Within the constraints of the finances available a programme of works has been developed in consultation with the tenant forum.

The Council's stock consists of traditionally constructed houses, flats, and bungalows. The stock is mostly low rise, although varied in archetype. There are no high-rise flats. All non-traditional build properties, such as Airey and PRC houses, have been re-built however there are a small number of Swedish units.

Other key points of relevance to this plan relating to housing assets are as follows:

- **The 2009 stock condition survey results demonstrate that the council has managed to use its resources effectively to maintain the stock**
- **The survey results indicate that over the next 30 years, the Council will need to spend a total of £152m or £50,876 per property, equating to £1,696 a year on each property**
- **A new stock condition database has been introduced and information from other databases have been transferred to it**
- **98.5% of the Council housing stock had achieved the decent homes standard**
- **A very small number of properties, 11 in total, were assessed as failing the HHSRS standard**
- **From the data collected the average energy rating was calculated as 68.89. This reflects the investment made in the stock in energy saving measures and compares favourably with other authorities**
- **Over 75% of the housing stock now has double glazing and all of the housing stock has central heating and high levels of insulation**
- **The Council is committed to the principle of sustainable development and schemes which have an impact on the quality of life**

Sheltered Housing / Housing for the Elderly

The Council has 1,180 dwellings designated as sheltered housing or housing for the elderly. In total there are 20 schemes, consisting of between 8 and 40 homes.

Following a review of the service last year tenants are now given the option of the level of service they would like to receive regarding visits from a sheltered housing officer. Despite these changes sheltered housing remains hard to let. The average void period is ????

The Council is currently working in partnership its partners to create a Housing Strategy for Older People that integrates intervention from healthcare, social care and housing to make the best use of the available resources.

The high level aims of the strategy, which have been drawn from consultation already undertaken, will be to enable older people to:

- Maximise their choice and control.
- Retain their independence.
- Be confident of community support.

Temporary Accommodation

The stock includes 8 units of temporary accommodation. 2 semi detached houses in Takeley were recently converted into 4 units of purpose built furnished accommodation. Following an increase in demand a further 4 units were converted at Mead Court.

The Council has identified a need for more one bedroomed and family temporary accommodation.

Leasehold Properties

Around 40% of general needs flats have been sold and as a result the Council manages 122 leasehold properties. This leaves the Council with a requirement to develop an effective and efficient leasehold management service.

Decent Homes

Based on survey information 98% of the stock complies with the Decent Home Standard. However approximately 10% of the stock annually would become non-decent without investment. The investment requirements in the current plan include all costs required to maintain the properties at the decent homes standard identified in the current stock condition database. It also includes costs for works that improve the stock beyond the basic decent homes standard including:

£1.5m over 30 years on sustainable energy projects to provide affordable warmth and improve the energy efficiency of homes

£1.1m over 30 years for environmental improvements to fund works outside the home including improved parking provision.

Decent Homes

This is a minimum standard that requires that the home:

- **Meets the current statutory minimum standard for housing**
- **Is in a reasonable state of repair**
- **Has reasonably modern facilities and services and**
- **Provides a reasonable degree of thermal comfort**

Asset Management

The introduction of self-financing will drive a major change in the way HRA assets are managed. The Council's ability to effectively service its housing debt from 2012 will be wholly dependent upon securing a viable net revenue stream from its housing asset base.

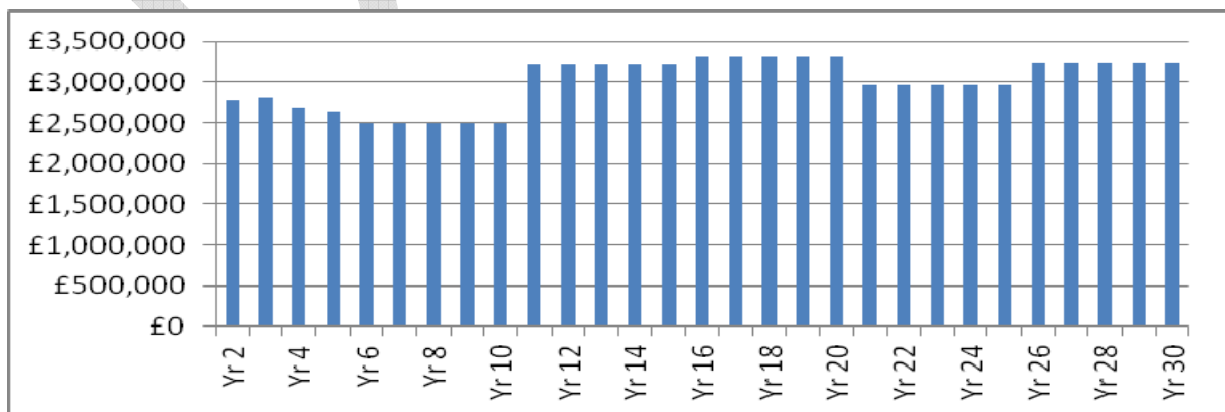
Work is underway in analysing stock data to inform a new housing asset management strategy, which will support the business plan. During 2012 the Council will also take action to improve the overall quality of the data to inform longer term business planning. Consideration will also be given to the benefit of a 100% stock condition survey.

Detailed analysis work has begun to consider the financial contribution that particular categories of housing stock and assets such as garages and land make to the business plan. The Council will need to consider the best options for individual properties, or groups of properties that are a drain on the business model, and identify whether they require significant investment, redevelopment, strategic disposal, demolition or alternative use. In summary the new asset management strategy will:

- **review any backlog works**
- **review refurbishment standards**
- **identify key works for phasing against available resources**
- **review standards, life cycles and costs**
- **analyse properties with negative (NPV) contribution to the HRA**
- **consider options for disposal, demolition or alternative use**
- **consider options for new build/acquisition**



Any investment decisions in housing assets will need to be carefully balanced with both the financial impact on the business plan and social impact on tenants and leaseholders. Using data from the recent stock condition survey the current estimated stock investment requirements are as follows:



The above table excludes inflation and procurement fees and assumes £31,085 spend per property over 30 Years

The required expenditure over 30 years on a per unit basis is £31,085 and this level of expenditure is in line benchmarks.

The following table sets out the revenue and capital requirements/potential schemes for the next 5 years:

		Budget Code	Description of Works	11 / 12	12 / 13	13 / 14	14 / 15	15 / 16	16 / 17	
				£net	£net	£net	£net	£net	£net	
A. HOUSING REVENUE EXPENDITURE	Ad Hoc	HRE001/2013	Ad-hoc Repairs	623,390	786,740	786,760	786,760	786,760	786,760	
	Cyclical Maint	HRE001/2040	External and Internal Decorations	320,000	280,000	280,000	270,000	270,000	270,000	
		HRE001/2011	Pre-paint Repairs	50,500	50,000	50,000	45,000	45,000	45,000	
	Routine Maintenance - Service Maintenance Contracts	HRE001/2011	Servicing/Maintenance of Central Heating Boilers	275,000	325,000	325,000	325,000	325,000	325,000	
		HRE001/2011	Servicing/Maintenance of Communal Boilers	14,750	41,500	41,500	41,500	41,500	41,500	
		HRE001/2001	Servicing/Maintenance of Communal & Disabled Lifts	20,800	30,000	30,000	30,000	30,000	30,000	
		HRE0014012	Servicing/Maintenance of Furniture Sheltered Schemes	25,300	40,000	40,000	40,000	40,000	40,000	
		HRE001/2011	Asbestos Management	50,000	80,000	80,000	80,000	80,000	80,000	
		HRE001/2011	Legionella Management	50,000	55,000	50,000	50,000	50,000	50,000	
	SUB TOTAL A : HOUSING REVENUE EXPENDITURE				1,429,740	1,688,240	1,683,260	1,668,260	1,668,260	1,668,260
B. HOUSING CAPITAL EXPENDITURE	Planned Works	CHR212/6812	Adaptations for Disabled (Major)	250,000	220,000	220,000	220,000	220,000	220,000	
		CHR202/6812	Adaptations for Disabled (Minor)	10,000	10,000	10,000	10,000	10,000	10,000	
		CHR200/6812	Central Heating Boiler Replacement	570,000	570,000	570,000	570,000	570,000	570,000	
		CRH205/6811	Energy Conservation/Plant Replacement	26,000	253,000	150,000	30,000	30,000	130,000	
		CHR206/6812	Security Programme	30,000	180,000	180,000	180,000	90,000	40,000	
		CHR214/6812	Bathroom/Kitchen Upgrade	245,200	390,000	470,000	450,000	450,000	240,000	
		CHR211/6812	Re-wiring	300,000	300,000	300,000	300,000	300,000	300,000	
		CHR215/6812	Re-windowing	200,000	190,000	175,000	150,000	150,000	150,000	
		CHR203/6812	Environmental Improvements	35,000	85,000	90,000	90,000	90,000	140,000	
		CHR201/6811	Sheltered Scheme Improvements (3 schemes per year)	2,000	3,000	3,000	3,000	3,000	3,000	
		CHR208/6811	Sewage Plant Replacement Works	8,000	8,000	8,000	8,000	8,000	8,000	
		CHR210/6812	Doors	95,000	220,000	250,000	275,000	275,000	175,000	
		CHR204/6811	Chimneys	30,000	30,000	30,000	30,000	30,000	30,000	
		CHR209/6811	Roof works	40,000	40,000	40,000	40,000	90,000	40,000	
		CHR207/6811	Structural Works	90,000	120,400	146,400	148,400	142,400	90,000	
		CHR213/6811	Major Work - Voids	300,000	300,000	300,000	300,000	300,000	300,000	
	Planned Works on Housing Stock				2,231,200	2,919,400	2,942,400	2,804,400	2,758,400	2,446,000
	New Build	Holloway Crescent Phase II	200,000	678,000	0	0	0	0		
	Grants	Cash Incentive to Move Grant	20,000	20,000	20,000	20,000	20,000	20,000		
SUB TOTAL B : HOUSING CAPITAL EXPENDITURE				2,451,200	3,617,400	2,962,400	2,824,400	2,778,400	2,466,000	
TOTAL REVENUE AND CAPITAL EXPENDITURE ON HOUSING PROJECTS : A + B				3,880,940	5,305,640	4,645,660	4,492,660	4,446,660	4,134,260	
C. HEADROOM UNDER SELF FINANCING	Action Plan	Additional revenue costs to implement HRA Business Plan Action Plan	0	248,000	150,000	155,000	150,000	155,000		
		Additional capital costs to implement HRA Business Plan Action Plan	0	1,020,000	1,720,000	3,120,000	1,000,000	900,000		
	New	Potential Projects	0	1,432,000	1,174,000	0	2,380,000	2,660,000		
SUB TOTAL C : HEADROOM UNDER SELF FINANCING				0	2,700,000	3,044,000	3,275,000	3,530,000	3,715,000	
TOTAL REVENUE AND CAPITAL EXPENDITURE ON HOUSING PROJECTS UNDER SELF FINANCING: A + B + C				3,880,940	8,005,640	7,689,660	7,767,660	7,976,660	7,849,260	

Hard to Let Properties

The Council has a few 'hard to let' properties scattered through the district particularly in the more rural locations. The majority of these properties were originally designed to accommodate elderly tenants. However, due to their rural location, which in many cases mean there are no longer any shopping or transport facilities, these properties are no longer suitable to let to this particular client group. The Council has been able to utilise these properties as temporary units of accommodation for homeless families.

Some of these difficult to let properties include sheltered schemes that have bed sit accommodation. This type of accommodation is unpopular, and in many cases inadequate. The Council has established a priority programme to look at each scheme and to establish how best they can be re-modelled and bought back into full use to meet identified needs. Two schemes have already been re-modelled in partnership with a Registered Social Landlord. The Council also successfully re-modelled one of its sheltered schemes at Vicarage Mead in Thaxted in recent years for which it won a National Home Improvement award.

Another scheme in Leaden Roding will be demolished in 2012 to provide 8 new Council houses for rent.

New Build

Changes to legislation have provided new opportunities for councils to develop new affordable housing. They enabled the Council to undertake a regeneration scheme to make better use of an unpopular sheltered housing scheme in Leaden Roding and provide 5 new bungalows. The Council plans to continue to re-develop other parts of the site to provide an additional 8 houses in 2012.



March 2011 Official opening of new properties built by the Council by Chair of the Council, Sue Schneider

In addition, with many of the financial deterrents to local authority new build that were inherent as part of the HRA subsidy system now removed under self financing, the delivery of new affordable housing, to be managed locally, has become even more of a viable option.

The Council has identified numerous development plots throughout the district that once formed the part of gardens of council houses. These could potentially be developed by the Council to deliver each year a modest number of properties for affordable rent or other appropriate tenure as determined through its Housing Strategy. Opportunities such as these for new build will be explored through the Housing Board.

However, opportunities to increase the supply of housing to meet need can essentially only be achieved through negotiation with developers and Registered Social Landlords (RSLs) in

relation to housing developments as part of the planning process. The Council will therefore continue to work closely with partner RSLs to ensure that the maximum number of lettings to Local Authority nominees is achieved.

Energy Efficiency/Sustainability

The Council has a strong commitment to energy efficiency and sustainability. A key strategic objective of the business plan is to tackle climate change by reducing the carbon emissions from the Council's housing stock. This will also address tenants concerns about fuel poverty, reducing the cost of heating by improving insulation and replacing electric systems with modern oil or gas central heating systems.

There are a number of homes (around 250) with solid walls that have poor thermal efficiency. Some of these have recently been upgraded and their thermal efficiency is being reassessed. Others will be prioritised for investment programmes in the short term. Based on the survey information at 1st April 2009, 77% of our homes comply with the Decent Homes Standard.

SECTION 4: FRAMEWORK OF THE BUSINESS PLAN

The Business Plan draws on a variety of information sources to present a reliable and accurate forecast. It is based on a rolling five year and thirty year projection. A detailed financial analysis has been undertaken using the HRA Business Plan spreadsheet model.

Links to Other Documents

The business plan links in and draws upon wider sub regional, regional and national priorities as well as the authority's wider housing and corporate strategies detailed in the following documents:

- | | |
|--|---|
| <ul style="list-style-type: none">• The Government's Housing Strategy for England 'Laying the Foundations'• Corporate Plan• MTFS• Housing Strategy Statement• Homelessness Strategy• Housing and Environmental Services Divisional Plan | <ul style="list-style-type: none">• Asset Management Plan• Tenant Compact• Community Plan• Communications Strategy• Procurement Strategy• Supporting People Vision Statement |
|--|---|

Strategic Aims

The key priorities for action during the lifetime of this plan have been drawn up having regard to the Council's key corporate strategic aims to:

- **Reduce the Council Tax burden for our residents in real terms**
- **Build more affordable homes**
- **Recycle more**
- **Improve prosperity**

Housing impinges on all of these aims. The business plan also has regard to the strategic housing key priorities identified in the Housing Strategy Statement which are as follows:

- **Maximising the delivery of new affordable homes to meet diverse needs**
- **Improving the condition of the housing stock both public and private**
- **Building sustainable and thriving neighbourhoods and communities**

Key Tasks

The following completed key tasks have been utilised in the business plan:

- **Stock Condition Survey, 2009**
- **SHMA**
- **Housing Stock Option Appraisal, 2009**
- **Review of Sheltered Housing Services 2009**

Priorities

With so much change in the social housing sector existing priorities have been reviewed to take the Council forward in this new environment.

The new priorities are set out in the action plan in appendix A and are structured around the TSA themes of:

- **Resident Involvement and Empowerment**
- **Home**
- **Tenancy**
- **Neighbourhood and Community**
- **Value for Money**

The priorities in the action plan reflect the Council's corporate strategy that has been developed following community consultation. The priorities will be supported by detailed operational actions in departmental service improvement plans. This approach means that the business plan priorities will be closely aligned with the Council's corporate priorities. As the major provider of social housing in the area the Council has a key role to play in supporting the Council's strategic objectives and priorities.

The business plan will be monitored annually and priorities for action revised at that point. The results of this monitoring will be presented to the Housing Board along with any decisions required as a result of changes. The Tenant Forum will be at the heart of the annual review process. The reviews will also be informed by the results of regular consultation with tenants throughout the year, including the results of surveys, mystery shopping and tenant inspection and scrutiny. Information from complaints, service reviews and regular stock condition surveys will also be used to inform the development of the plan over time.

The increased demand in disabled adaptations including the provision of level access showers, stair lifts and grab rails will also need to be considered when anticipating the financial requirements over the next 30 years and, if necessary, the business plan adjusted accordingly.

SECTION 5: FINANCIAL ANALYSIS

Proposed settlement for Uttlesford

The provisional debt settlement from CLG for Uttlesford is £88.713m. The finalised figure is due for confirmation in late January/early February, with settlement date set for 28 March.

The Council will be required to take out loans to fund the self financing payment. The Council has obtained specialist advice on the optimum borrowing strategy to employ from its treasury management advisers, Arlingclose.

The funding strategy will comprise £10m of variable debt and £78.713m of fixed rate debt. The estimated average interest rate payable will be 3.30%.

Debt will be repaid during years 6 to 30 of the business plan period, to maximise revenue headroom in the first 5 years to invest in new projects

Variable debt presents an element of cost variation risk but gives the Council flexibility to manage in the event that actual experience differs from the assumptions in the HRA business plan during the next few years. Variable debt is currently at very low cost and expected to remain during the next few years. If interest rates should rise faster than expected, or if revenue surpluses within the HRA are greater than needed, variable debt can be paid early without financial penalty. Similarly variable debt can be reprofiled over a longer time period if necessary.

A 30 year business plan model has been produced by CIH Consult in consultation with officers with the following key assumptions:

- **Debt settlement of £88.713m**
- **Based on the 2012/13 HRA budgets and 10 year capital programme**
- **The budgets reflect:**
 - **the required uplifts and resulting from service improvements and restructuring**
 - **reduction in supporting people grant**
 - **spending priorities identified by the Housing Board**
- **Rents converge and increase RPI + 0.5% (with similar housing provider properties) in 2015/16 (with no property-by-property adjustment for caps and limits)**
- **The average rent of the stock is £82.71 against formula rent of £88.21. This means that Uttlesford can expect slightly higher than inflation increases over the next 3 years to achieve convergence**
- **General Inflation (RPI) set at 2.5% throughout the model, with the exception of the rent increase for April 2012**
- **Minimum HRA working balance maintained at a level equivalent to 2% of expenditure plus 2% of income**
- **The void rate is set at 2% to reflect current performance in year 1 onwards and the bad debt provision is currently 0.5% and is increased to 0.75% as a reasonable level to protect against the impact of future housing benefit reforms**
- **Un-pooled RTB receipts kept in the HRA**

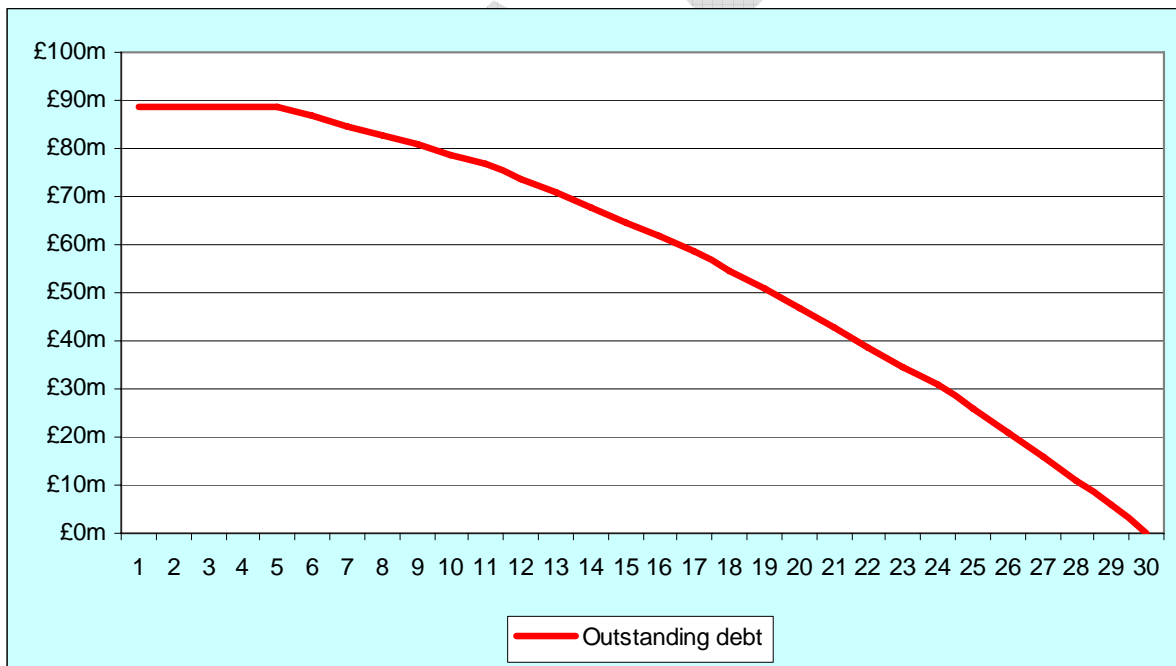
- Roll forward of management and maintenance expenditure with inflation
- Roll forward of non-rent income with inflation with the exception of supporting people grant
- Right to buy levels are estimated at 6 per annum throughout the plan, reducing gradually throughout the life of the plan. This assumption will need to be revisited upon the results from the recent consultation on right to buys

A critical assumption relates to the stock investment and capital needs for the stock over the longer term. These have been factored into the business plan based on the Michael Dyson Associates stock condition survey of August 2009. The 30 year capital profile inflated to 2011 prices amounts to around £34.5k/unit (excluding fees) and this is in line with benchmarks, as would be expected from the survey process that has been undertaken.

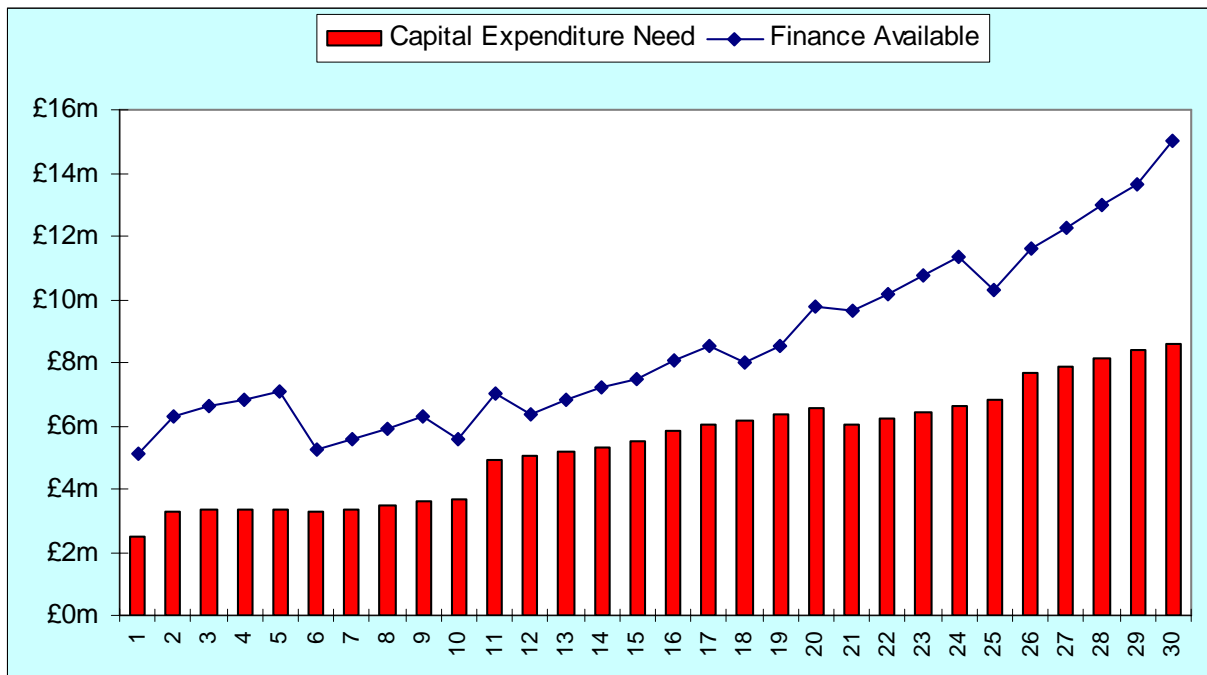
The stock condition survey identifies that in 2013/14 a significant level of expenditure is required and £5m of this has been re-profiled between the preceding year and five following years.

Headline Outputs for Self-Financing (HRA Reform)

The graph below demonstrates that the debt taken on to fund the self financing payment of £88.713m is repaid within 30 years. This demonstrates clear viability on the basis of the assumptions within the plan:



The graph below shows that there is sufficient financial flexibility within the HRA to meet the capital expenditure needs of the existing stock, with additional revenue headroom to invest in new projects. It is another key indicator of the financial viability of the plan.



The following tables summarise the financial flexibility within the plan and by comparing the self financing arrangement with the former housing subsidy system, clearly demonstrates that the reformed system benefits the Council, its tenants and the district. It shows that there is £2.7m of revenue headroom in the first year, £16.3m in the first five years and over the full 30 year period some £93m.

£000	Year	Year	Year	Year	Year	Total	Years	Total
	1	2	3	4	5	Years	6 to 30	Years
	1	2	3	4	5	1 to 5	6 to 30	1 to 30
Income	-13,756	-14,292	-14,845	-15,485	-15,915	-74,293	-582,907	-657,200
Expenditure	11,052	11,249	11,618	11,955	12,200	58,074	505,797	563,870
In year revenue surplus	-2,704	-3,044	-3,227	-3,530	-3,715	-16,219	-77,110	-93,329
Transfer to/from(-) Working Balance	4	0	-48	0	0	-44	433	389
Total revenue headroom	-2,700	-3,044	-3,275	-3,530	-3,715	-16,263	-76,677	-92,940

£000	Year 1	Year 2	Year 3	Year 4	Year 5	Total Years 1 to 5	Years 6 to 30	Total Years 1 to 30
Base budget for negative subsidy (note 1)	5,199	5,199	5,199	5,199	5,199	25,995	129,975	155,970
Interest payable on loans	2,655	2,655	2,730	2,855	3,005	13,901	43,987	57,888
Loan repayment	0	0	0	0	0	0	88,713	88,713
Gross saving	2,544	2,544	2,469	2,344	2,194	12,094	-2,725	9,369
Other net savings arising (note 2)	152	500	854	1,186	1,521	4,214	78,969	83,182
Transfer to/from(-) Working Balance	4	0	-48	0	0	-44	433	389
Total revenue headroom	2,700	3,044	3,275	3,530	3,715	16,263	76,677	92,940
1. Figure shown is 2011/12 cash figure. In an unreformed system this would have been increased annually, so there is a notional saving higher than indicated 2. Due to rent & other income increasing at a higher rate than costs, which compounds over time.								

Sensitivities

The plan is viable and resilient to changes in key assumptions. The three key variable factors are interest rates, inflation and right to buy sales.

If interest rates at the self financing settlement date of 28 March 2012 are 1% above expected levels (considered highly unlikely) total interest payable would be £19m above the level assumed in the business plan. This would reduce the revenue headroom over 30 years by £19m and over the first 5 years by approximately £4m. The viability of the plan is not affected.

As income is expected to increase by more than the rate of inflation, the plan is resilient to changes in inflation levels different to the assumptions made.

If right to buy sales exceed the assumed levels then available income would reduce and could potentially affect the viability of the plan. The mitigation is to ensure that monies are invested to ensure that void levels in existing stock are minimised and to ensure that new build is delivered to replace dwellings lost through RTB.

SECTION 6: REVIEWING THE BUSINESS PLAN

The Business Plan is a dynamic, working document. Consequently, it is essential that it is reviewed and updated on an annual basis. In addition, it is very important that progress on the action plan and the achievement of performance targets are reviewed throughout the year.

Financial Monitoring

The Financial Plan will be monitored throughout the year by officers, the Housing Portfolio Holder and the Cabinet as appropriate.

Monitoring the Business Plan's Action Plan

Appendix 1 of this Business Plan sets out a detailed Action Plan. It is important that progress with the Action Plan is monitored. This is done at two levels. At officer level, the actions are incorporated within the Housing Service Plan. At member level, the Housing Board will receive and consider a six-month progress report on the Action Plan.

SECTION 7: CONCLUSION

The above projections under self-financing demonstrate that the HRA business plan is fully self-funding and can meet all its obligations under self-financing.

The business plan model shows that debt is repaid by year 30 in order to demonstrate financial viability.

The model ensures that the capital programme is fully funded by available revenue surpluses from the HRA, whilst maintaining a minimum balance. In reality the Council will be able to review the plan regularly and make decisions about the use of surpluses, balancing repayment of debt and additional investment. This gives the Council a much greater level of flexibility in its long term planning than has been possible under the existing subsidy system.

The business plan will be continually developed and updated in conjunction with the asset management strategy.

The Business Plan presents the Council with a significant opportunity to make substantial investment in housing at a level that is unprecedented for many years. The Council will be able to ensure that its current stock remains in good condition and is in a position to renovate sheltered housing sites where condition are currently below acceptable levels. Furthermore, the Council will be in a position to commence new build projects.

Opportunity does not come without risk and the Council will need to manage the HRA Business Plan robustly and proactively. Income will need to be maximised and costs kept under close review. Provided this is achieved, this Business Plan enables the Council to make a genuine step change improvement in the quality of social housing in Uttlesford.

A challenging responsibility, and an exciting opportunity.

**If you require this publication in an alternative format and/or language
please contact 01799 510510
It is also available at www.uttlesford.gov.uk**

HRA BUSINESS PLAN 2012 - PRIORITIES FOR ACTION

Priority	Action	By When	Responsible Officer	Resources	Outcome
1. Resident Involvement and Empowerment	Develop Housing Regulation Panel to scrutinise the performance of the Housing Service and to undertake service reviews	Jun-12		25k - training for members	All proposals for service improvement supported by evidence from tenant feedback Increase in proportion of tenants providing feedback to inform service reviews Increase in proportion of tenants satisfied their views are taken into account
	Collect evidence from surveys, questionnaires, estate walkabouts and mystery shoppers	Ongoing		Within existing resources	
	Link tenant participation with opportunities for skill development	Ongoing		Within existing resources	
	Consult leaseholders on views of current service and participation arrangements	Apr-13		Within existing resources	
	Undertake new Tenant Satisfaction Survey	May-12		£10k	
	Develop action plan to respond to issues in the Tenant Satisfaction Survey	Aug-12		Within existing resources	
	Develop and Implement new Tenant Involvement Strategy	Apr-13		Within existing resources	
	Publish annual tenants report	Oct-13		£15k	
	Benchmark service with other landlords through Housemark	Ongoing		Within existing resources	
	Develop a housing asset management strategy	Apr-13		Within existing resources	
	Carry out development appraisals of identified sites and review business plan capacity to develop	Oct-12		Within existing resources	
	Establish a clear policy on the use of HRA assets for regeneration and affordable housing schemes and a process of appraisal of options	Oct-12		Within existing resources	
	Respond to changing housing need by making the best use of the Housing Stock to meet local need (Mead Court redevelopment)	Apr-14		£2.6m	
2. Home	Review the potential for undertaking new build schemes on identified garden sites	Oct-12		Approx £600k per annum plus cost for in-house surveyor to co-ordinate works	Increase in Council owned affordable housing stock
	Map all potential HRA development opportunities	Apr-13		Within existing resources	Increased knowledge of housing stock
	Improve the information on the housing stock	Apr-13		£50k	Disposal of uneconomic assets
	Implement planned maintenance/service charge module of Housing System	Apr-14		£100k	Improved SAP ratings
					Reduced fuel costs for residents

HRA BUSINESS PLAN 2012 - PRIORITIES FOR ACTION

Priority	Action	By When	Responsible Officer	Resources	Outcome
3: Tenancy	Review and implement new Schedule of Rates	Apr-13		£20k	
	Continue to manage and maintain the housing stock effectively and efficiently ensuring that properties meet, as a minimum, the decent homes standard	Ongoing		within existing resources - approx £2.9m per year	
	Improve average energy efficiency and reduce fuel costs for residents	Apr-17		£1.5m	
	Analyse performance of eco-house in Wendens Ambo	Ongoing		Within existing resources	
	Recommend options on the appraisal for the sheltered housing schemes	Apr-13		Within existing resources	
	Establish a strategic tenancy strategy that ensures that local housing need is met and assets are used effectively, utilising all available flexibilities	Apr-13		Approx £3k for consultants	
	Consider whether the Council should use the new fixed term tenancies and, if so, formulate a Tenancy Policy setting out the proposed operation of the scheme	Apr-13		Within existing resources	
	Continue to fund disabled adaptations and disabled facilities grants for HRA tenants private owners and improve the delivery process	Ongoing		within existing resources - approx £280k per year	
	Investigate and implement a better integrated monitoring, response and maintenance service for sheltered and lifeline users	Oct-12		150k	
	Update the remaining sheltered housing schemes with Piper Haven alarm equipment with the latest Communicall equipment	Mar-14		£400k	
	Undertake fundamental review of policies and procedures to ensure service is 'Fit for Purpose'	Apr-13		Within existing resources	
	Carry out an under occupation survey and establish what incentives would encourage tenants to move to more appropriate accommodation	Apr-13		Within existing resources	
	Review Housing Strategy	Apr-13		Within existing resources	

Improved quality of life for tenants
Maximised use of existing stock

HRA BUSINESS PLAN 2012 - PRIORITIES FOR ACTION

Priority	Action	By When	Responsible Officer	Resources	Outcome
4. Neighbourhood and Community	Review Homelessness Strategy	Apr-13		Within existing resources	Increase in affordable housing Provision of specialist housing Increase in skills and capacity of internal teams to deliver regeneration and new build Increased useage of sheltered schemes Contractors supporting council and housing service objectives to tackle climate change
	Establish an older persons strategy that addresses needs of elderly people in the district	Sep-12		Within existing resources	
	Work with planning policy to identify future provision for the gypsy and traveller community	Sep-12		Within existing resources	
	Continue to work with Partners to deliver affordable housing through use of the Stansted Area Housing Partnership and Growth Area Funding	Apr-13		£2.2 million and £725,000	
	Investigate re-provision of temporary accommodation following demolition on Mead Court	Apr-13		Within existing resources	
	Work with partners on the delivery of a supported unit for people with learning disabilities	Apr-13		Grant £100k	
	Investigate the provision of additional supported accommodation in the district for vulnerable adults (currently only one facility - Bromfield House)	Apr-13		Within existing resources	
	Investigate the provision of a supported unit in the district for those fleeing domestic violence	Apr-14		Within existing resources	
	Investigate the reprovision of a new mental health facility	Sep-12		Within existing resources	
	Review anti social behaviour policy and procedures	Apr-13		Within existing resources	
	Provide 'internet cafes' in sheltered schemes for silver surfers	Oct-12		60k	
	Review future contracts to include clauses to require contractor to take action to tackle climate change relevant to work to be carried out	Ongoing		Within existing resources	
	Continue to develop business plan financial model to inform investment and service planning	Ongoing		Within existing resources	
	Prepare for supporting people funding reductions	Aug-12		Within existing resources	
	Improve performance management and financial planning systems in housing services	Aug-13		Approx £20k	


Increased business plan income from improved income and debt management

HRA BUSINESS PLAN 2012 - PRIORITIES FOR ACTION


Priority	Action	By When	Responsible Officer	Resources	Outcome
5. Value for Money	Maximise income to the HRA by achieving high collection rates for rents, service charges, sewage charges, garage rents and miscellaneous invoices	Ongoing		Within existing resources	Realistic performance improvement targets set to move to top quartile performance in all areas
	Ensure rent arrears are kept to a minimum	Ongoing		Within existing resources	Annual budgets based on business plan priorities, with costs benchmarked against other providers to demonstrate value for money
	Implement service charges for common services for flats	Apr-12		Within existing resources	
	Access external funding where available to reduce carbon emissions and improve energy efficiency	Ongoing		Within existing resources	Surplus money from self financing invested into regeneration and affordable housing
	Ensure the void turnaround figure does not exceed 28 days	Ongoing		£150k - additional depot operative to form dedicated voids team	

APPENDIX 2 2010/11 Housing KPI's




Traffic Light Amber

PI Code & Short Name	2010/11 Target	2010/11 Value	Traffic Light Icon	Division
KPI 08 (HSG15) Re-let times for general needs void properties requiring minor works (days) (Min)	28	30		Housing Services



Traffic Light Green

PI Code & Short Name	2010/11 Target	2010/11 Value	Traffic Light Icon	Division
KPI 10 Rent collected as a proportion of rents owed on the HRA (Max)	99%	102%		Housing Services

Traffic Light Red





PI Code & Short Name	2010/11 Target	2010/11 Value	Traffic Light Icon	Division
PI 13 (CI 20) % non-decent council homes (NI 158) (Min)	1.5%	1.7%		Housing Services
PI 14 (SI 21a) Homeless: Number of people presenting as homeless (Min) #	8	20		Housing Services
PI 16 (SI 54) Number of households living in temporary accommodation (CI 19 & NI 156) (Min)	10	13		Housing Services

Traffic Light Green


PI Code & Short Name	2010/11 Target	2010/11 Value	Traffic Light Icon	Division
PI 15 (SI 23) Customer satisfaction with repairs service (Max)	96%	99%		Housing Services
PI 17 (CI 37) Number of service users who are supported to establish and maintain independent living	1,250	1,337		Housing Services

2010/11 Housing Local PI's






Traffic Light Red






PI Code & Short Name	2010/11 Target	2010/11 Value	Traffic Light Icon	Division
HSG 13 % of housing stock void as at 31st March each year - long term voids	0.75%	1.78%		Housing Services
HSG 20 (SI 19) Current tenant rent arrears as a percentage of the gross dwelling debit	3%	3.35%		Housing Services
HSG 21 (SI 21b) Homeless: Number of people accepted as homeless (Min)	4	7		Housing Services
HSG 22 (SI 22a) Average length of stay in bed and breakfast accommodation for accepted priority needs families (Min)	1	2.4		Housing Services

Traffic Light Amber

PI Code & Short Name	2010/11 Target	2010/11 Value	Traffic Light Icon	Division
KPI 08 (HSG15) Re-let times for general needs void properties requiring minor works (days) (Min)	28	30		Housing Services

Traffic Light Green

PI Code & Short Name	2010/11 Target	2010/11 Value	Traffic Light Icon	Division
HSG 4 (H4) New tenants visits completed within 3 months	87%	100%		Housing Services
HSG 6 The number of cases where positive intervention by the Council has prevented homelessness	30	39		Housing Services
HSG 7 Average time taken to process new housing applications (Days)	20	5.75		Housing Services
HSG 9 Percentage of BME applicants on the housing register	2%	3%		Housing Services
HSG 10 Average time taken (days) to process homeless applications	33	13		Housing Services

PI Code & Short Name	2010/11 Target	2010/11 Value	Traffic Light Icon	Division
HSG 14 % of housing stock void as at 31st March each year - normal voids	1%	0.87%		Housing Services
HSG 16 Re-let times for all general needs void properties (including major works) (days)	35	26.37		Housing Services
HSG 23 (SI 22b) Average length of stay in bed and breakfast accommodation for accepted priority needs others (Min)	4	4		Housing Services
HSG 24 (SI 22c) Average length of stay in bed and breakfast accommodation for rejected (all groups) (Min)	6	3.3		Housing Services
HSG 25 (SI 79) Rent collection and arrears recovery: No. LA tenants with >7wks arrears (Min) (BV 66b)	7.00%	6.90%		Housing Services



APPENDIX 3

Benchmarking with other Housing Authorities

The primary purpose of benchmarking is as an internal performance management and self-assessment tool for managers seeking to understand current levels of performance and costs in order to improve the quality and value for money (VFM) of services delivered to tenants. The following tables compare UDC with a peer group of 44 other housing authorities.

Corporate health



The summary table below compares UDC housing staff turnover and sickness absence with other landlords. High staff turnover can impact significantly on costs and performance and tackling absenteeism can help produce productivity gains.

Corporate Health Summary							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Percentage of staff turnover in the year	33	6.3	9.6	11.5	8.7	13	
Average number of working days/shifts lost to sickness absence per employee	31	7.0	9.6	13.8	7.0	9	

Customer service

With the move to greater self-regulation and tenants being able to hold their landlord to account, how Council's respond to and deal with complaints is becoming increasingly important. The TSA expects landlords to offer a quality customer service in which tenants are treated with respect and courtesy. Landlords are expected to understand their tenants' needs and use this information to design and deliver housing services and communicate with them.

The summary table below enables compares UDC Housing performance for two key measures of customer service with the peer group.

Customer Service							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Percentage of complainants satisfied with the outcome of the complaint	10	75.0	57.4	37.8	100.0	1	
Percentage of complainants satisfied with complaint handling	9	70.3	57.0	39.0	100.0	1	

Value for money (VFM) standard summary

The following VFM summary has been provided to help understand the relationship (VFM) between cost and performance across the main business activities.

Efficiency Summary for Uttlesford DC				
Business Activity	Cost KPI	Cost KPI Quartile	Quality KPI	Quality KPI Quartile
		Uttlesford DC (2010/2011)		Uttlesford DC (2010/2011)
Overheads	Overhead costs as % adjusted turnover		Overhead costs as % direct revenue costs	
Major Works & Cyclical Maintenance	Total CPP of Major Works & Cyclical Maintenance		Percentage of tenants satisfied with overall quality of home (GN)	
			Percentage of dwellings failing to meet the Decent Homes Standard	
Responsive Repairs & Void Works	Total CPP of Responsive Repairs & Void Works		Percentage of tenants satisfied with the repairs and maintenance service (GN)	
			Percentage of all repairs completed on time	
			Average time in days to re-let empty properties	
Housing Management	Total CPP of Housing Management		Percentage of tenants satisfied with overall services provided (GN)	
			Percentage of tenants satisfied that views are being taken into account (GN)	
			Current tenant rent arrears net of unpaid HB as % of rent due	
Development	Staff involved in standard units developed per 100 units		Percentage of owners satisfied with overall quality of new home	
			Standard units developed as % of current stock	
Estate Services	Total CPP of Estate Services		Percentage of tenants satisfied with their neighbourhood as a place to live (GN)	

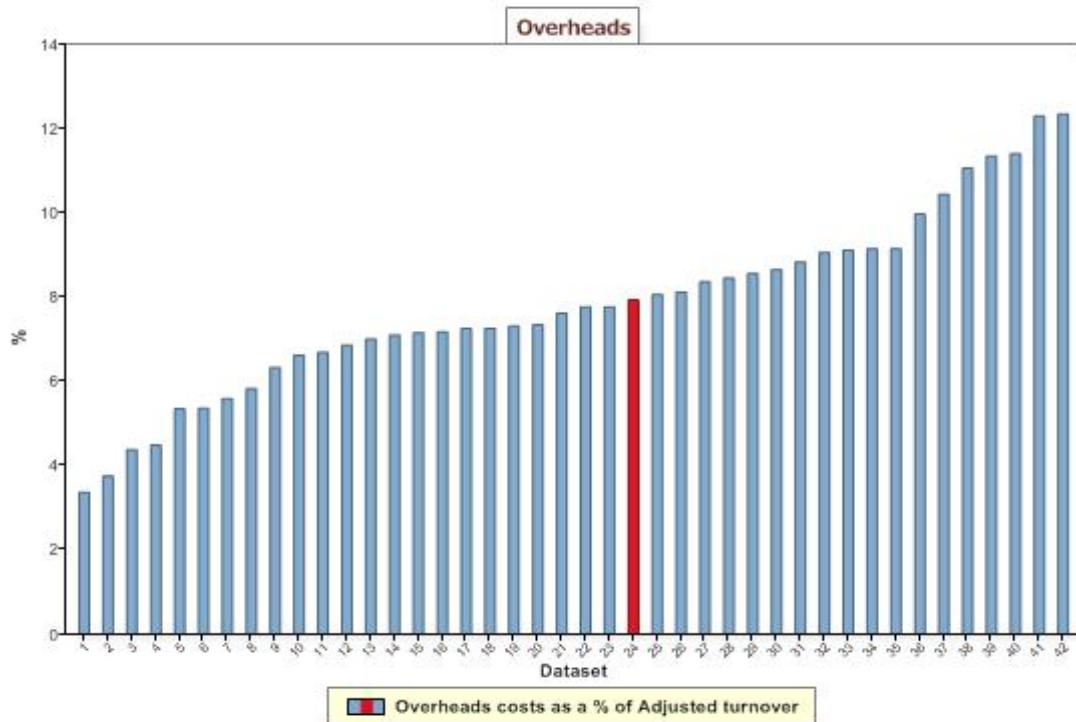
Quartile Key							
	Upper Quartile	Middle Upper	Median	Middle Lower	Lower Quartile	N/A	No Data
Valid dataset							
Small dataset							

Overheads

Overheads can be a key area for efficiencies. 'Back office' spending is generally the most controllable of an organisation's costs, and there is usually less risk in reducing overhead costs than cutting front-line service costs.

Overhead costs as percentage of adjusted turnover

The chart below shows UDCs overhead costs as a percentage of adjusted turnover:

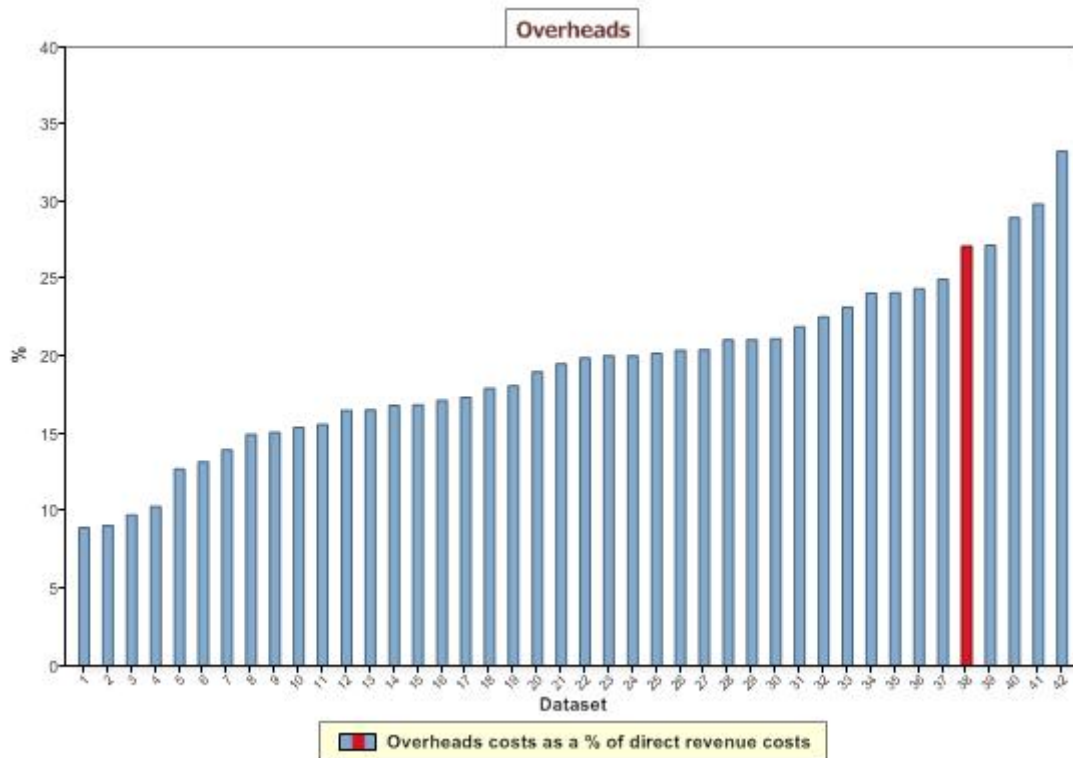


Overheads costs as a % of Adjusted turnover				
Comparator Group Quartiles		Upper	Median	Lower
		6.69	7.62	9.06
Id	Results for Uttlesford DC	Result	Rank	Quartile
24	Uttlesford DC (2010/2011)	7.93	24	

Turnover is generally accepted as a useful measure to benchmark the total overheads of an organisation. It provides a common measure of activity across the whole business and between different types of organisations.

Overhead costs as a percentage of direct costs

This chart shows the same overheads as in the above indicator, but uses direct costs as the benchmarking measure. This indicator can be reported consistently across all business areas and at summary level.



Overheads costs as a % of direct revenue costs				
Comparator Group Quartiles		Upper	Median	Lower
		15.62	19.53	21.94
Id	Results for Uttlesford DC	Result	Rank	Quartile
38	Uttlesford DC (2010/2011)	27.15	38	

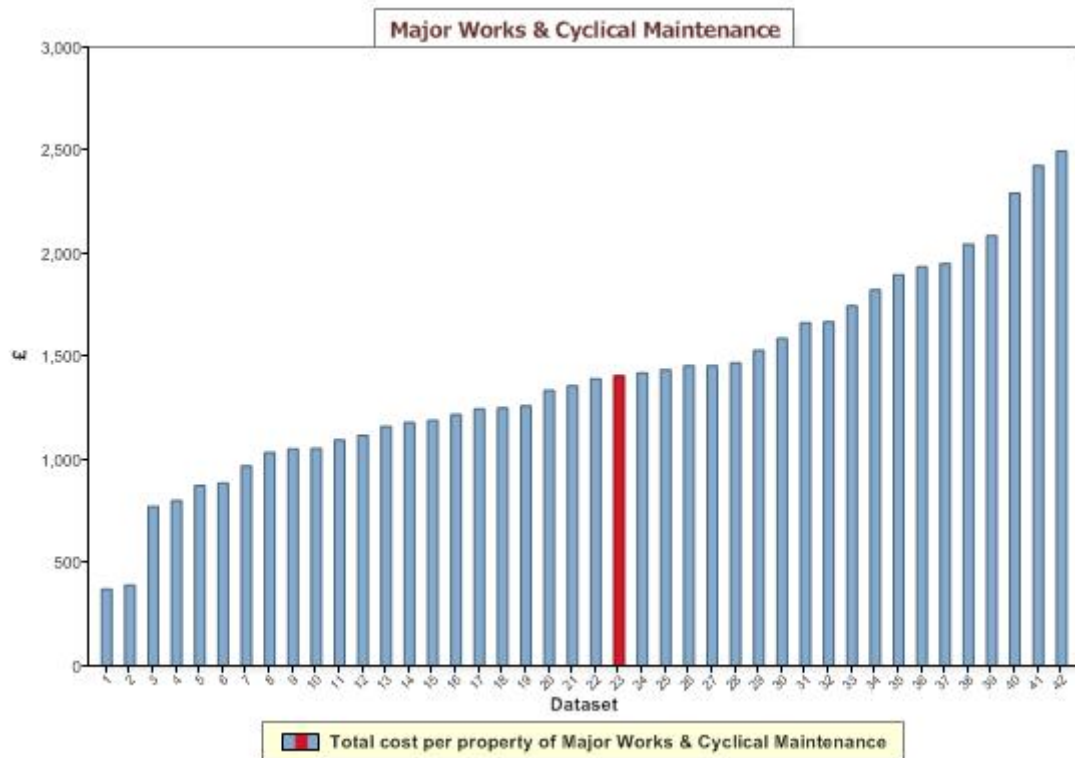
Breakdown of overheads by cost category

The following summary table benchmarks UDCs overhead costs per direct user for each overhead function with the other organisations in the peer group:

Overhead cost breakdown per direct user							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Premises	41	2,326	3,031	4,020	3,974	31	
ITC	41	4,100	5,809	6,577	5,935	24	
Finance	41	2,244	3,230	4,521	4,005	29	
Central	41	6,150	7,989	11,061	9,437	27	

Major works and cyclical maintenance total cost per property

The following chart shows how much per property each member of the peer group spent on the total costs of major works and cyclical maintenance (including direct works costs, direct employee costs, direct non-pay costs and allocated overhead costs). This measure includes both the 'client side' management and administration costs and the 'contractor side' direct spend.



Total cost per property of Major Works & Cyclical Maintenance				
Comparator Group Quartiles		Upper	Median	Lower
		1,095.78	1,358.44	1,668.43
Id	Results for Uttlesford DC	Result	Rank	Quartile
23	Uttlesford DC (2010/2011)	1,406.63	23	

Analysis of service provision and management costs for major works and cyclical maintenance

Total costs for major works and cyclical maintenance can be analysed between service provision (contractor costs) and management (client side) as detailed in the summary table below.

Major Works & Cyclical Maintenance - Costs							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Total CPP of Major Works Service Prov	41	735	1,049	1,230	1,052	22	
Total CPP of Major Works Mgt	41	55	81	111	34	4	
Total CPP of Cyclical Maint Service Prov	41	157	222	278	267	29	
Total CPP of Cyclical Maint Mgt	41	18	28	44	54	35	





The above cost measures include overheads, enabling a more relevant comparison between organisations that outsource to a contractor and those that have an internal DLO.

Clearly the amount spent on major works in any year depends on a number of factors, such as where an organisation is in its stock investment programme and the proportion of units failing to meet the decent homes standard (see below).

Low management costs may be an indication of efficiency in the 'client side' functions. Conversely, they might be an indication that more resources are required to manage/administer the service. High management costs per property may indicate inefficiency in management/administration.

Key performance indicators for major works and cyclical maintenance

UDC results compared with the peer group are shown in the table below.

Major Works & Cyclical Maintenance - Additional performance measures							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
% of respondents satisfied with overall quality of home (GN)	24	83.25	79.75	76.90	NoData	N/A	
% of dwellings failing to meet the decent homes standard	41	0.0	0.9	5.3	2.0	25	
Average SAP (2005)	39	71.0	68.5	65.5	70.0	14	
% Landlord gas safety record	41	99.92	99.70	99.20	97.88	38	

The decent homes standard is a key indicator for all social landlords. It is current government policy that all social rented homes (with some limited and specific exceptions) should have met the decent homes standard by 2010 and should thereafter continue to be maintained to that standard.

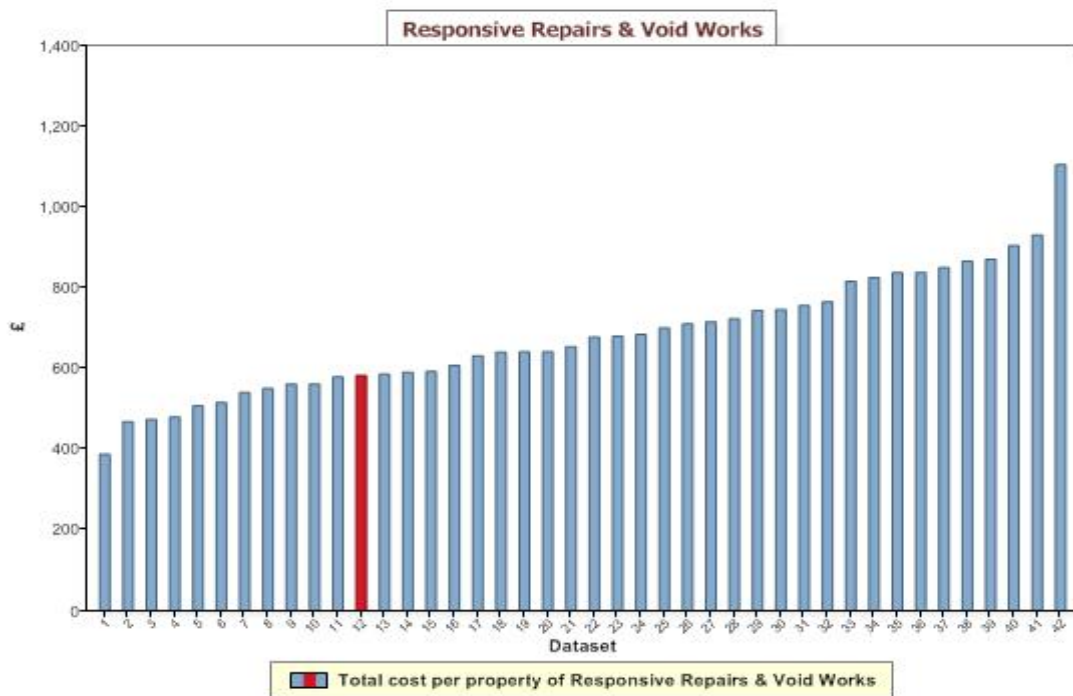
The best measure currently available to compare environmental performance is the average SAP rating. SAP is the government's standard assessment procedure for energy rating of dwellings. The latest methodology (SAP 2005) expresses the SAP rating on a scale of 1 to 100: the higher the rating, the more energy-efficient the dwelling. The average SAP rating is calculated on all self-contained, general needs dwellings in ownership.

The landlord gas safety record reflects landlord obligations under the Gas Safety (Installations and Use) Regulations 1998. Failure to meet these obligations may result in serious consequences.

Responsive repairs and voids re-servicing total cost per property

The chart below shows the total costs per property (including direct works costs, direct non-pay costs, direct employee costs and allocated overhead costs) of responsive repairs and voids re-servicing compared with peers. It includes both the 'client side' management and administration functions and the 'contractor side' direct

spend.



Total cost per property of Responsive Repairs & Void Works				
Comparator Group Quartiles		Upper	Median	Lower
		579.02	677.96	765.61
Id	Results for Uttlesford DC	Result	Rank	Quartile
12	Uttlesford DC (2010/2011)	582.99	12	

Summary of service provision and management costs for responsive repairs and void works costs

The following table distinguishes between the 'client-side' costs and the 'contractor-side' direct spend of responsive repairs and void works costs. However, it is not always easy to separate these costs, especially where partnering arrangements are in place or where client-side functions are outsourced, so these indicators should be treated with caution. These measures also include allocated overhead costs, enabling a more useful comparison to be made between organisations that outsource to a contractor and those that have an internal direct labour organisation (DLO).

Responsive Repairs & Void Works Service Provision & Management Costs							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Total CPP of Responsive Repairs Service Prov	41	311	384	452	350	18	
Total CPP of Responsive Repairs Mgt	41	68	89	141	105	24	
Total CPP of Void Works Service Prov	41	112	148	213	104	7	
Total CPP of Void Works Mgt	41	24	32	39	24	11	

A low service provision cost per property for responsive repairs may be the result of effective planned work programmes. It may also indicate that the organisation has negotiated efficient procurement arrangements, bringing down the cost of labour and materials. However, it may reflect a lack of investment in the service and it is







important to view this indicator in conjunction with the performance and satisfaction indicators provided below and in the detailed appendices.

A high cost per property for responsive repairs management may indicate inefficiency in the management/administration of that service. A low cost may reflect an efficiently run service. However, it might also be an indication that more resources are required in this area.

Void works service provision costs only include the routine void costs when a property is re-let. Major works undertaken to void properties are included within the major and cyclical repairs function.

Key performance indicators for responsive repairs and void works

UDC results compared with the peer group are shown in the table below:

Responsive Repairs - Additional performance measures							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
% of respondents satisfied with repairs and maintenance (GN)	24	78.75	74.30	70.93	NoData	N/A	
% of repairs completed on time	37	96.1	94.4	90.5	87.7	30	
Average time to complete a repair (in days)	35	7.28	10.15	12.60	7.00	8	
Average time in days to re-let empty properties	41	23.61	26.70	33.19	66.16	42	
Repairs "right first time"	25	94.2	89.9	81.0	98.0	4	
P1 & P2 as a % of total repairs	36	43.9	50.5	58.6	44.1	11	

Tenant satisfaction with the repairs and maintenance service (general needs) is a key measure of whether a good service is being delivered from the tenants' perspective. This information is sourced from the most recent STATUS satisfaction survey data (or similar) submitted and relates to tenants living in general needs accommodation.

The percentage of repairs completed on time can be used to identify whether a landlord is keeping its commitment to tenants. It indicates how efficient and reliable the landlord is in delivering on a key customer care promise of its repair service: protecting the health and safety of the occupiers of its homes and maintaining the value of its assets.

The average repair completion time reflects the actual time tenants have waited. It is more tenant-focused than reporting the landlord's performance in achieving its own target response times (as in the traditional measure 'percentage of emergency/urgent/routine repairs completed within target').

Completing a repair 'right first time' is an important measure in terms of both service efficiency and effectiveness and minimising inconvenience for tenants. It is a relatively complex performance indicator, requiring the landlord to distinguish between works that can be completed in a single visit and those that need a series of pre-planned visits. A high percentage score suggests that the landlord is diagnosing repair problems effectively and planning for their rectification.

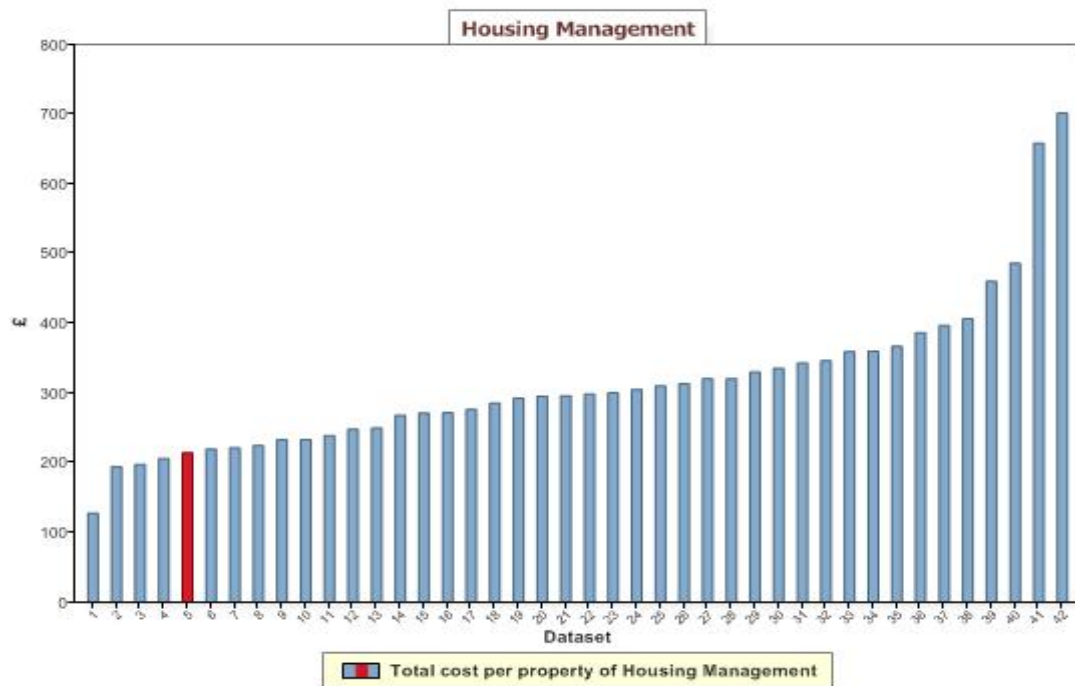
Responding to a repair as a priority is more expensive than treating the same repair as routine. Reducing the number of emergency and urgent repairs can bring

important financial savings. The proportion of priority work undertaken will be influenced by several factors, including the nature of the stock and tenant profile. However, a high percentage of emergency and urgent repairs may indicate that work is being over-prioritised and highlight training needs around the accurate diagnosis and prioritisation of repairs.

Social landlords should aim to minimise the time that properties are empty between each letting. A low figure may indicate an efficient voids and lettings process. However, a number of factors will affect performance against this measure, including demand, stock condition and the type of stock.

Housing management total cost per property

The chart below shows the total costs (including direct employee costs, direct non-pay costs and allocated overheads) for the housing management function, expressed as a cost per property. The housing management function includes rent arrears and collection, resident involvement and consultation, anti-social behaviour, tenancy management and lettings.

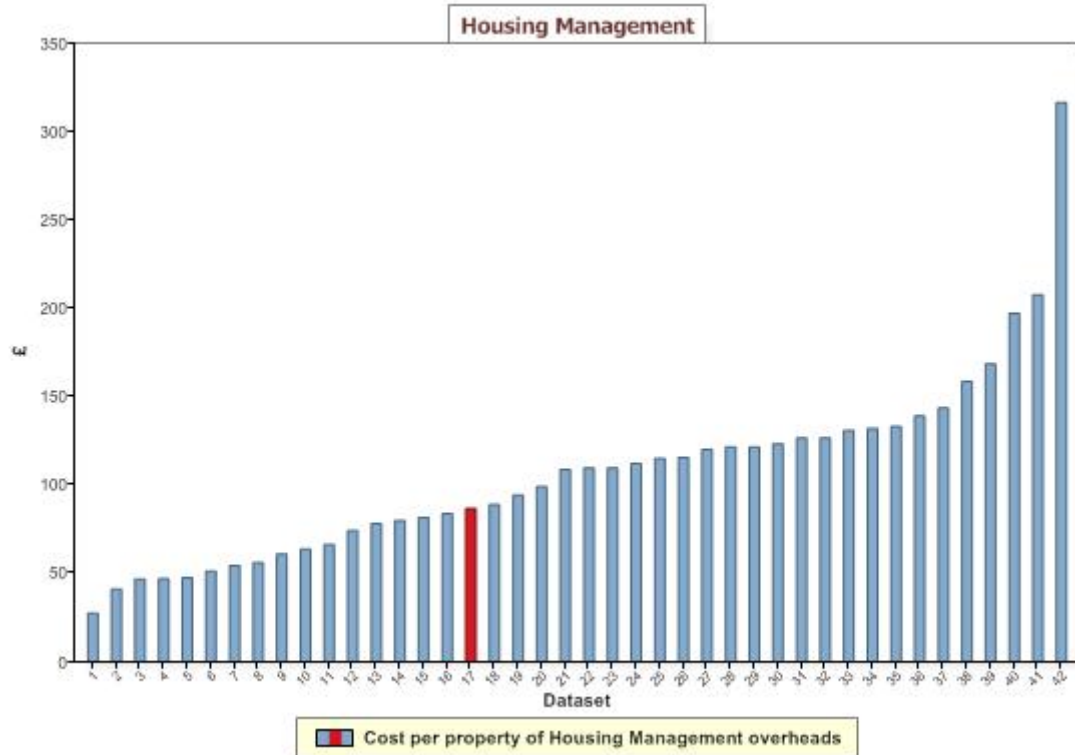


Total cost per property of Housing Management				
Comparator Group Quartiles		Upper	Median	Lower
		248.42	298.46	346.32
Id	Results for Uttlesford DC	Result	Rank	Quartile
5	Uttlesford DC (2010/2011)	214.65	5	●

The model enables analysis of total housing management costs between overhead costs and direct costs (pay and non-pay) as shown in the following two charts.

Housing management allocated overheads

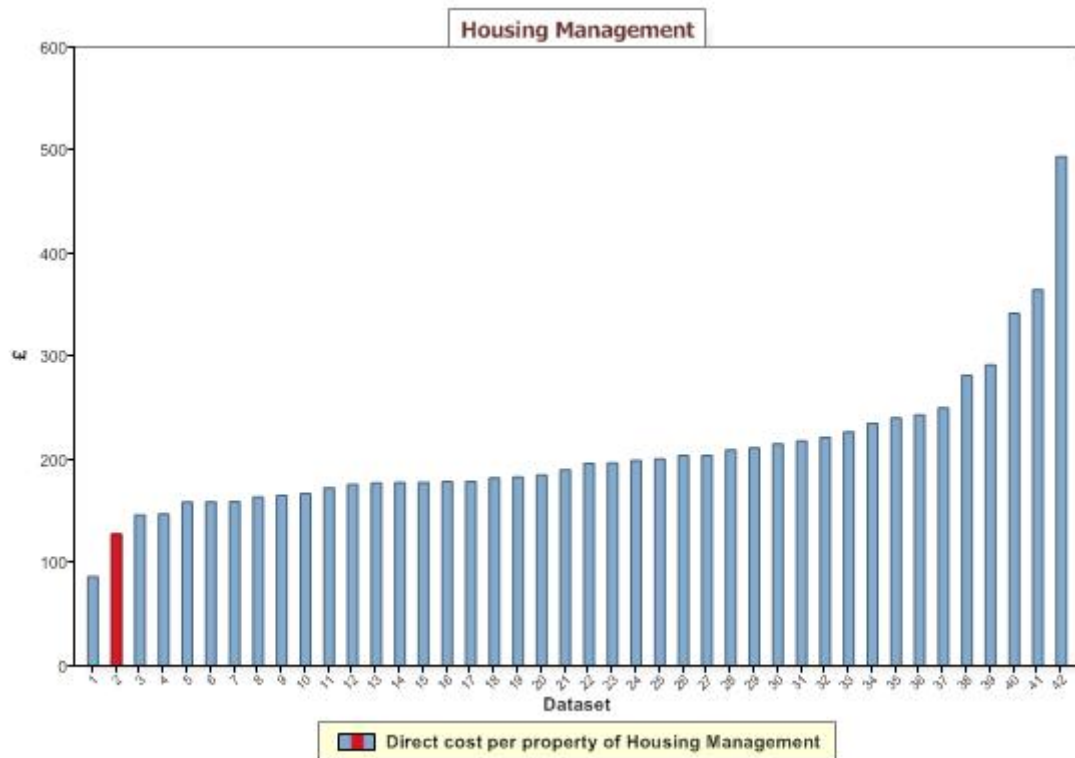
The core benchmarking methodology allocates overheads to direct activities, following simple and consistent apportionment rules. The chart below shows the total overhead costs apportioned to the housing management function.



Cost per property of Housing Management overheads				
Comparator Group Quartiles		Upper	Median	Lower
		66.54	109.63	126.71
Id	Results for Uttlesford DC	Result	Rank	Quartile
17	Uttlesford DC (2010/2011)	86.80	17	

Direct housing management cost

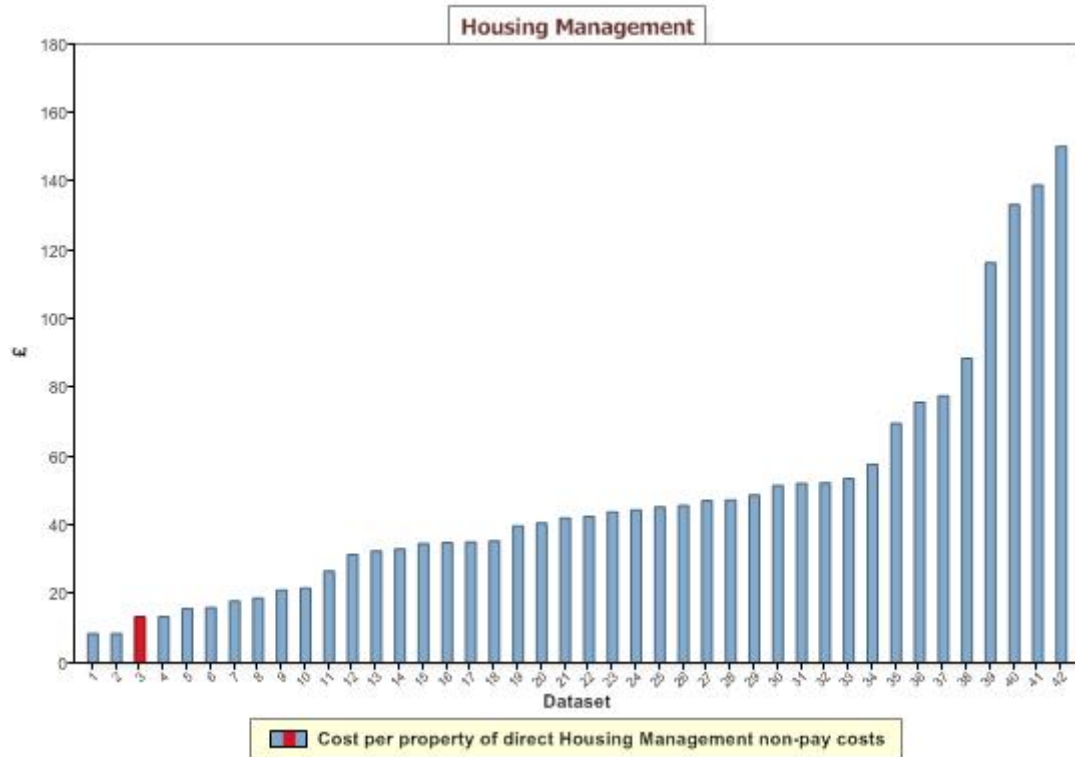
The chart below shows the direct costs (including direct employee costs and direct non-pay costs) for the housing management function, expressed as a cost per property. The housing management function includes rent arrears and collection, resident involvement and consultation, anti-social behaviour, tenancy management and lettings.



Direct cost per property of Housing Management				
Comparator Group Quartiles		Upper	Median	Lower
		176.17	196.49	221.62
Id	Results for Utlesford DC	Result	Rank	Quartile
2	Utlesford DC (2010/2011)	127.85	2	●

Housing management direct cost per property can be further analysed between non-pay costs and pay costs to help you assess the impact each type of cost has on your overall costs.

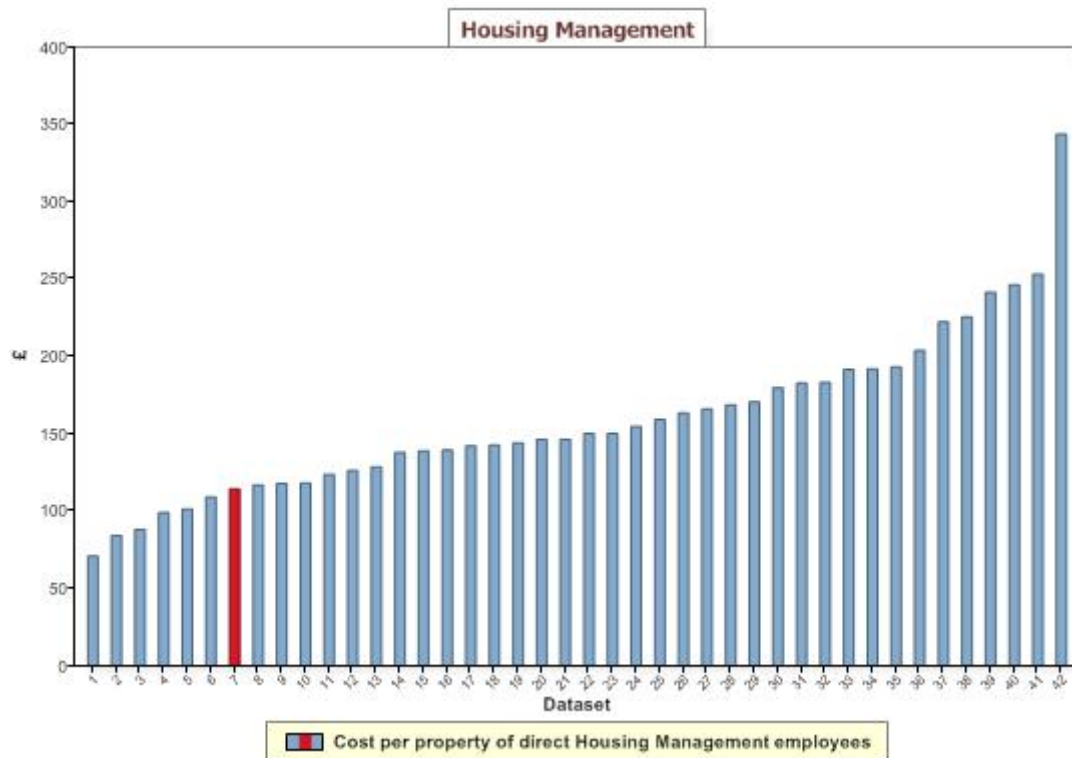
Housing management direct non-pay costs



Cost per property of direct Housing Management non-pay costs				
Comparator Group Quartiles		Upper	Median	Lower
		31.54	42.66	52.40
Id	Results for Utlesford DC	Result	Rank	Quartile
3	Utlesford DC (2010/2011)	13.41	3	●

Housing management non-pay costs include such items as legal fees, court costs, resident involvement expenses, grants to resident organisations, professional witnesses and assistance to tenants to help them move.

Housing management direct pay costs



Cost per property of direct Housing Management employees				
Comparator Group Quartiles		Upper	Median	Lower
		126.22	150.21	183.32
Id	Results for Uttlesford DC	Result	Rank	Quartile
7	Uttlesford DC (2010/2011)	114.44	7	●

Direct housing management pay costs can be affected by a variety of cost drivers, such as the resources employed for these activities and cost of them. The following two charts provide details of the number of employees working in housing management per 1,000 properties and their average pay costs.

Housing management employees per 1,000 properties

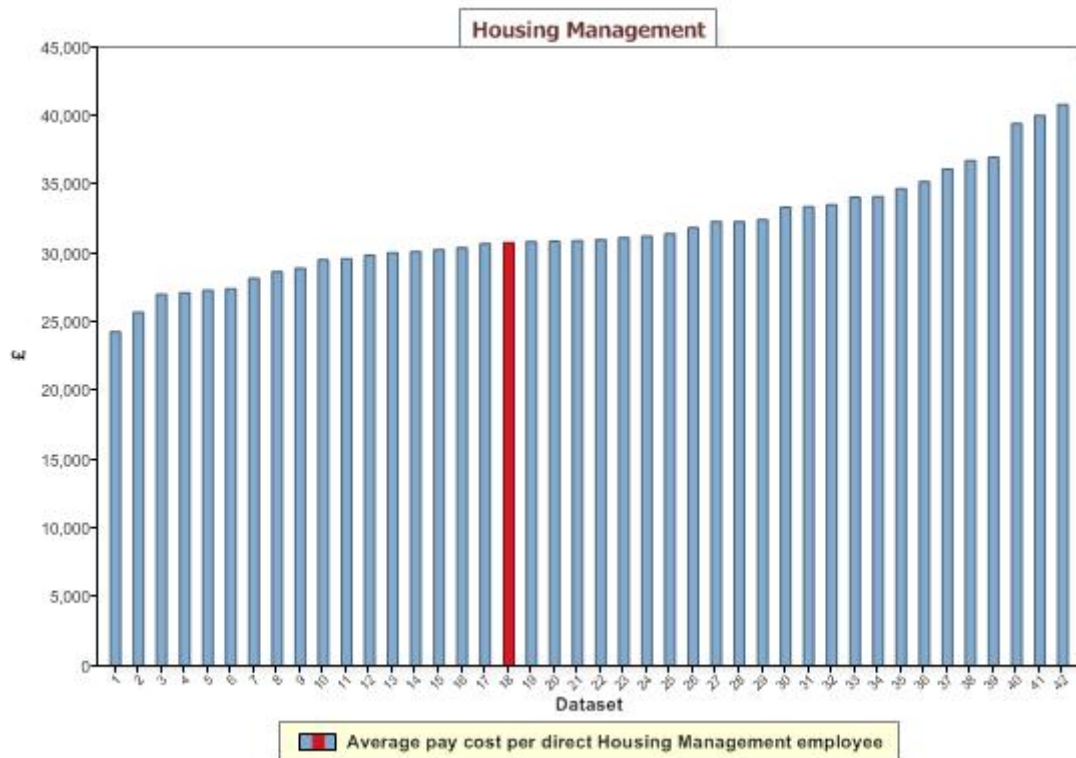
This chart enables comparison of resourcing levels for the housing management function with organisations of varying size.



Direct Housing Management employees per 1,000 properties				
Comparator Group Quartiles		Upper	Median	Lower
		4.16	4.84	6.07
Id	Results for Uttlesford DC	Result	Rank	Quartile
9	Uttlesford DC (2010/2011)	3.72	9	●

Housing management average pay costs

This chart enables you to compare your average pay costs for the housing management function.



Average pay cost per direct Housing Management employee				
Comparator Group Quartiles		Upper	Median	Lower
		29,608.75	31,018.90	33,551.29
Id	Results for Uttlesford DC	Result	Rank	Quartile
18	Uttlesford DC (2010/2011)	30,789.74	18	

The way you structure your service delivery may have an impact on your average pay costs.

Housing management direct cost per property by activity area

The preceding analysis looked at your total housing management costs and how you can use the HouseMark model to analyse in further detail the various cost drivers.

To help you identify which specific areas of housing management are high/low cost, we have developed a new summary table. This analyses the total direct housing management costs detailed above in the five housing management activities of rent arrears and collection, resident involvement and consultation, anti-social behaviour, tenancy management and lettings.

Housing Management - Direct cost per property by activity area							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Housing Management DCPP	41	176.17	196.49	221.62	127.85	2	
Rent arrears & collection	41	49.54	60.16	69.36	49.26	11	

Resident involvement	41	20.36	28.21	36.26	24.57	15	
ASB	41	19.91	27.44	38.25	17.21	10	
Tenancy mgt	41	36.46	48.73	71.39	27.55	4	
Lettings mgt	41	17.76	27.74	37.45	9.25	3	

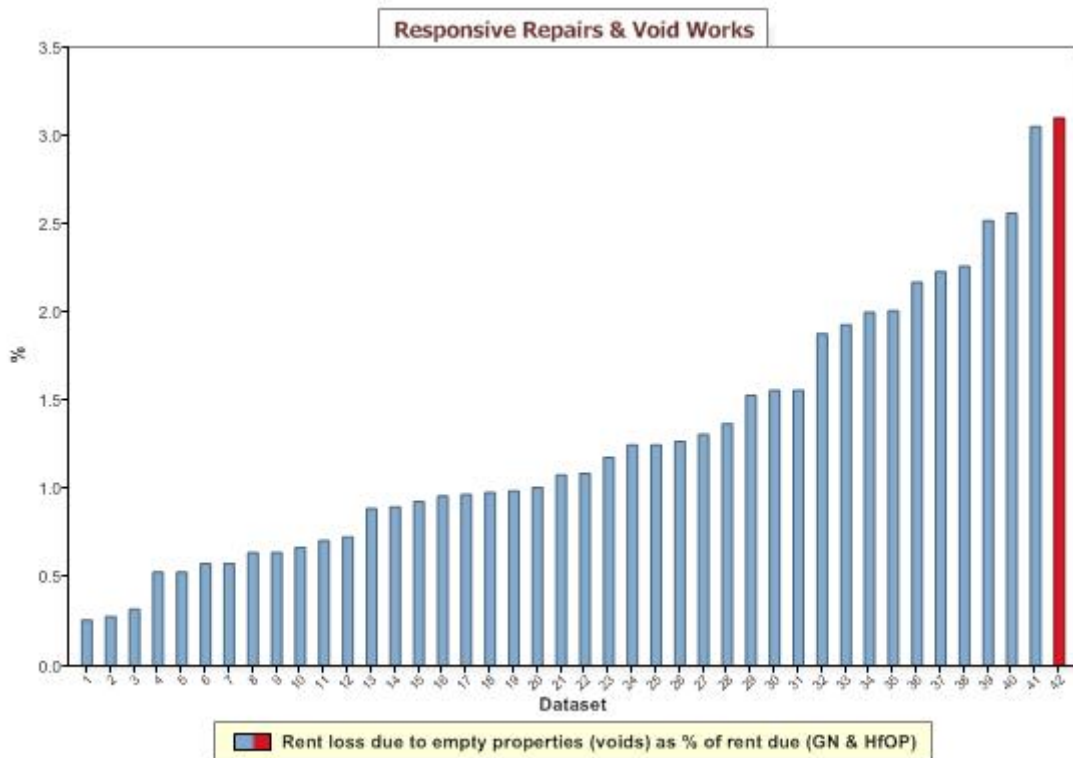
Further analysis of each activity are available online, using the core benchmarking website, and in the accompanying annex, schedules C1-C18.

Having looked at housing management costs in considerable detail, the next section of this report provides benchmark comparisons for a number of key housing management performance indicators.

Rent loss due to properties being empty

The following chart shows UDCs rent loss due to empty properties as a percentage of rent due, compared with peers. This measure is an indicator of an organisation's performance in minimising the number of empty properties and the speed of turning them around. This is a key area where efficiency gains can be made.

Rent loss due to empty properties (voids) as % of rent due (general needs and housing for old people)

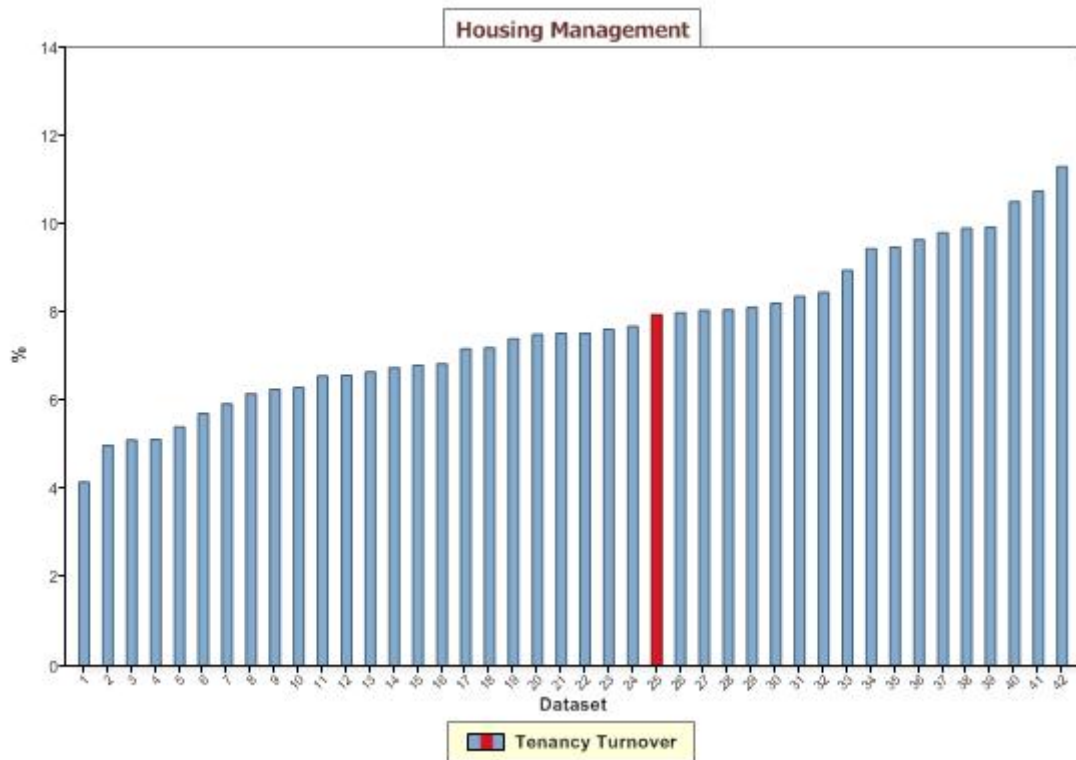


Rent loss due to empty properties (voids) as % of rent due (GN & HfOP)				
Comparator Group Quartiles		Upper	Median	Lower
		0.71	1.08	1.56
Id	Results for Uttlesford DC	Result	Rank	Quartile
42	Uttlesford DC (2010/2011)	3.10	42	

Tenancy turnover

The TSA expects landlords to support tenants to maintain their tenancies and prevent unnecessary evictions. The chart below shows UDC tenancy turnover rate compared with the other organisations in your club.

There are many factors affecting tenancy turnover, including size and nature of the landlord's stock, the tenant profile, the landlord's policies and practices, and wider social and economic factors. Hence it is important not to view this measure in isolation.

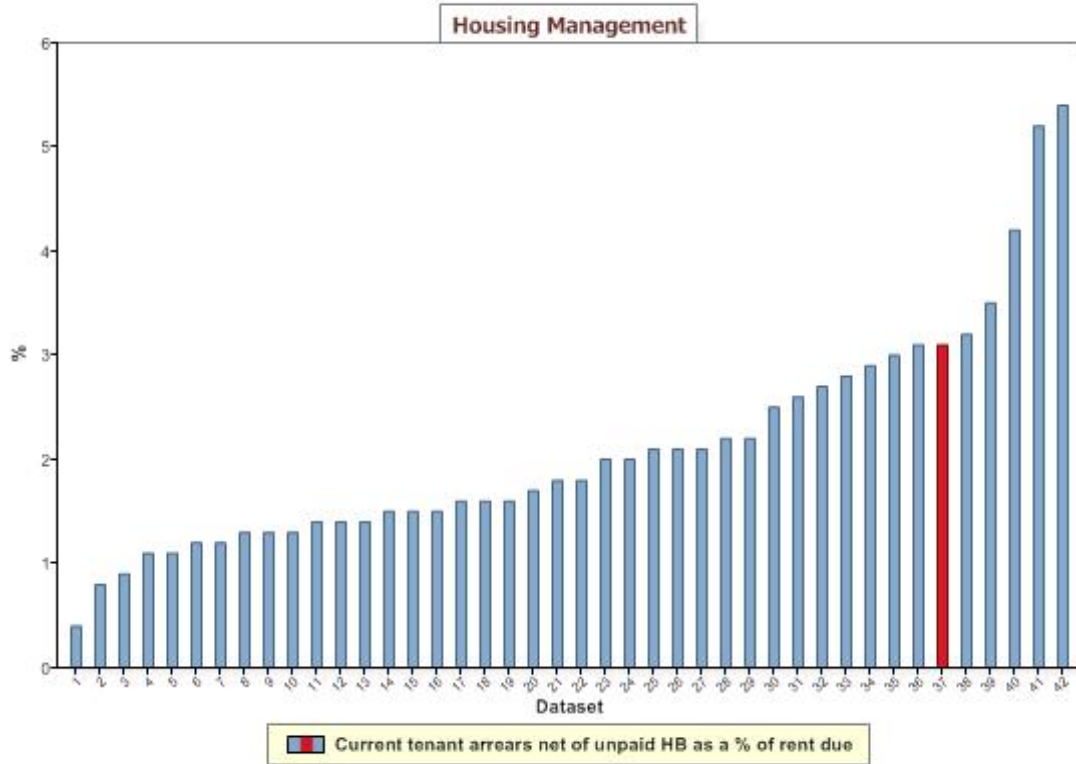


Tenancy Turnover				
Comparator Group Quartiles		Upper	Median	Lower
		6.56	7.53	8.45
Id	Results for Uttlesford DC	Result	Rank	Quartile
25	Uttlesford DC (2010/2011)	7.95	25	

Current tenant rent arrears (net of outstanding HB)

Success in collecting rent, preventing debt arising and minimising rent arrears is an important means of sustaining tenancies. This avoids the expense of legal action and loss of income from empty homes following eviction or abandonment. The following chart shows your UDCs performance compared to other members of the peer group.

Current tenant rent arrears net of unpaid HB as a % of rent due



Current tenant arrears net of unpaid HB as a % of rent due				
Comparator Group Quartiles		Upper	Median	Lower
		1.4	1.8	2.6
Id	Results for Uttlesford DC	Result	Rank	Quartile
37	Uttlesford DC (2010/2011)	3.1	36	●