
Report To:	Safe, Sustainable Communities Committee	Date: 31 August 2010
Report By:	Corporate Director Education and Communities	Report No: ECP/SCS/JA/10/000
Contact Officer:	Ronny Lee	Contact No: 01475 714227
Subject:	River Clyde Homes – Monitoring Framework	

1.0 PURPOSE

- 1.1 This report provides the Committee with performance monitoring information in relation to River Clyde Homes (RCH) as agreed in the Stock Transfer Agreement of December 2007.

2.0 SUMMARY

- 2.1 Inverclyde Council entered into a Stock Transfer Agreement with RCH in December 2007 and it was agreed that RCH would complete an Annual Monitoring Proforma to demonstrate that commitments made to Inverclyde Council and to its former tenants are being honoured. The third of these monitoring returns, covering the period from 1 April 2009 to 31 March 2010, has now been received and details are provided in Section 4.0 of this report.

- 2.2 The responsibility for reporting on the agreed Performance Monitoring Framework lies with the Strategic Housing Function, which is now part of the Safer & Inclusive Communities Service within the Education and Communities Directorate. [Min Ref 06/03/08; Para 174]

- 2.3 The Scottish Housing Regulator undertook an inspection of RCH in March 2010 to provide an independent external assessment of the effectiveness of its housing services. The Regulator is responsible for ensuring that RCH fully discharges all of its responsibilities towards its tenants and for reviewing the performance of RCH against targets set for service delivery. The Regulator consulted with Inverclyde Council as part of this scrutiny process and comments supplied by officers were taken into account in reaching an overall grading of RCH performance (see Section 4.15 of this report).

3.0 RECOMMENDATIONS

- 3.1 The Committee is asked to: -

- (a) Note the contents of the River Clyde Homes Annual Monitoring Return for 2009/10 as set out in paragraphs 4.2 – 4.14 of this report;
- (b) Remit to the Head of Safer & Inclusive Communities to address the matters of concern highlighted in this report in liaison with River Clyde Homes and other appropriate agencies; and
- (c) Remit to the Head of Safer & Inclusive Communities to co-ordinate a corporate response to the outcomes of the Scottish Housing Regulator's Inspection Report and the forthcoming River Clyde Homes Improvement Plan.

John Arthur
Head of Safer & Inclusive Communities

4.0 RCH MONITORING RETURN 2009/10

4.1 Paragraphs 4.2 – 4.14 below reflect the agreed layout of the monitoring return proforma established under the terms of the Stock Transfer Agreement. In the interests of clarity, the following “traffic light” system has been adopted to indicate RCH performance against the various headings in the return:

- Green = satisfactory performance / outcome, targets met;
- Amber = performance / outcome is adequate but does not reach set targets / criteria, some remedial action required; and
- Red = performance / outcome unsatisfactory and remedial action required as a matter of urgency.

The appropriate “traffic light” grading has been included at the end of the commentary on each performance measure.

4.2 Rights of Tenants

All RCH tenants have security of tenure through a Scottish Secure Tenancy Agreement. RCH has also developed and published a Tenant Participation Strategy through consultation with tenants and representative groups. All RCH tenants have the full range of rights to which they are entitled under relevant legislation however the Regulator has expressed concern that RCH tenants are not being consulted as effectively as they could be and that their responses are not being given due consideration by RCH in developing their forward planning and delivering service improvements.

Overall grading: Amber.

4.3 Rent Guarantees

RCH undertook to provide a five-year rent guarantee at the point of stock transfer and rents continue to be set in line with the October Retail Price Index (RPI) figure. For 2009/10 the average rent increase was 4.2%, based upon the RPI as at October 2008. Comparisons of rent levels with other local RSLs are undertaken on an annual basis and RCH has recently joined a benchmarking group that will facilitate the comparison of rents and affordability with other Scottish RSLs in future years.

Overall grading: Green.

4.4 Board Membership

RCH had four tenant members (out of a possible six) and four community members (out of a possible five) on its Board of Management as at 31 March 2010. Efforts are being made to attract new tenant members on to the Board and a fifth community member joined the Board in June 2010. There were four Inverclyde Council members on the Board at the year end (full compliment). RCH has also confirmed that the Chair of the Board is a tenant, Mr Roy Steel.

Overall grading: Amber.

4.5 Repairs Service

Response times

The timescales set by RCH for the different categories of repairs and their performance in meeting those targets during 2009/10 are set out in the following table:

Targets Set		Percentage on Time		Repairs by Appointment	
Category	Target Time	Target	Actual	Target	Actual
Emergency	24 hours	97%	99.70%	N/A	N/A
Urgent	4 days	90%	94.61%	To be introduced later in 2010	
Routine	15 days	80%	78.83%		

It will be seen from the above table that performance in completing Emergency and Urgent Repairs was above the internal management targets set by RCH. However Routine Repairs did not meet their internal target of 80% completions on time. Steps are being taken to improve performance on Routine works as repairs continue to be one of the most common types of complaint received by RCH and by Elected Members during their surgeries. The Regulator expressed concern over the accuracy of the repairs reporting and completion process and RCH are to review their data collection and analysis procedures accordingly.

Grading: Amber

Tenant Satisfaction

RCH undertake Tenant Satisfaction Surveys based on a random sample of 10% of completed repairs and a total of 2263 surveys were conducted in 2009/10, which represents a 10.63% sample of total jobs completed. The average satisfaction score in the last reporting year was 95.61%.

Grading: Green

Repair by Appointment

RCH had undertaken to provide a Repair by Appointment service as part of their stock transfer commitments to tenants. This service was to have been introduced in 2008/09 and it was understood that it would be rolled out in 2009/10. It is therefore a matter of concern to Inverclyde Council and to the Regulator that no definite timescale has been set for this service to begin. Having an agreed appointment date / time should reduce the number of abortive calls by RCH repairs staff / contractors and should increase overall performance against targets together with an increase in tenant satisfaction levels.

Grading: Red

Overall Grading: Amber/Red

4.6 Anti-Social Behaviour

A total of 292 complaints of anti-social behaviour were actioned up to 31 March 2010. None of these complaints resulted in court action being taken as they were resolved through mediation, or by the use of acceptable behaviour contracts. RCH continues to work closely with the Inverclyde Council Social Protection Team on more challenging cases and this has proved to be successful in bringing complaints to a satisfactory resolution without recourse to legal action.

Overall grading: Green

4.7 Allocations Policy

RCH reviewed its Allocation Policy in 2009 in order to ensure that planned regeneration works could proceed without delay. This resulted in applicants affected by regeneration projects being awarded higher points to facilitate offers of housing and the new points were introduced following consultation with relevant stakeholders. This policy alteration has had an impact on waiting lists, particularly for applicants looking for housing of their own for the first time, on transfer applicants, and on homeless referrals (see paragraph 4.8 below) as they are competing against applicants who have substantial numbers of points due to their being located in regeneration areas. This is of concern to Inverclyde Council and to the Regulator as there should be a fair and equitable means of allocating the vacant houses that become available.

RCH recently announced that a further review of its Allocation Policy was being

undertaken in 2010/11 and Inverclyde Council will provide a corporate response to the RCH review proposals as part of the consultative process.

Overall grading: Amber

4.8 Allocations Policy – Homelessness Protocol

RCH has entered into a Section 5 Protocol with Inverclyde Council on Homelessness and 260 referrals were received between 1 April 2009 and 31 March 2010. A total of 117 homeless people / households were permanently accommodated by RCH during this period. Details of the number of offers made to homeless applicants and the number refused are not available for 2009/10 and work is being undertaken to ensure that this information will be available in future reporting years. The Council's Homeless Persons Service has concerns over the relatively low number of homeless people / households accommodated by RCH given that they are the largest RSL in the Inverclyde area. These concerns are echoed in the Inspection Report published by the Regulator which states that RCH failure to address the needs of the homeless is a significant weakness in their allocations process. Representations to be made by Inverclyde Council in response to the proposed review of the RCH Allocation Policy will reflect these ongoing concerns.

Overall grading: Red

4.9 Allocations Policy – Equal Opportunities Monitoring

All RSLs are obliged to monitor equal opportunities by obtaining ethnic origin information on their waiting list applicants, where possible. The following table illustrates the ethnic make up of the RCH waiting list as at 31 March 2010:

Ethnic Origin	Number of Applicants
Asian – Bangladeshi	1
Asian – Chinese	1
Asian – Other	2
Black – African	1
Black – Caribbean	1
Other Ethnic Background	10
White – British	27
White – Irish	2
White – Scottish	1805
Not Known	2281
TOTAL	4747

Overall grading: Green

4.10 Estate Management

RCH has entered into a Grounds Maintenance Contract with Inverclyde Council to provide open space maintenance and operational targets were met during the reporting year 2009/10.

Overall grading: Green

A total of 26 tenant-led inspections of estate management standards were completed during 2009/10 and the areas covered were as follows:

Port Glasgow – Bardrainney; Highholm; Kelburn; Park Farm; and Town Centre
Greenock East – Arthur Street/Cartsburn Street/John Street; and Octavia Court
Greenock West – Finch Road; Holmscroft; John Galt House; and Neil Street
Gourock – Riverside Gardens.

Tenant-led inspections are being carried out in accordance with the procedure and timescales adopted by the RCH Board in May 2008.

Overall grading: Green

4.11 Void Property Management

Void Repairs

RCH has set a 10-day target for void repairs however the average time taken during 2009/10 was 28 days. Measures to improve void turn around times have been approved by the Executive Management Team at RCH and are currently being piloted with a view to their being rolled out to all stock during 2010/11. These measures include the introduction of a 'streamlined' approach to managing the void repairs process and this is currently under review by RCH. This level of performance is causing concern to Inverclyde Council and to the Regulator as the turn around of empty houses plays a vital role in reducing the overall time taken to allocate houses, which amounted to an average of 127 days in 2009/10. Delays in the void management process have an impact on waiting times for applicants, on addressing the need for alternative housing in regeneration areas, and for the supply of housing to meet the needs of the homeless, as noted in paragraph 4.8 above.

Grading: Red

Tenant information

All prospective tenants receive an accompanied viewing of vacant properties and all new tenants receive a copy of the RCH Welcome Pack and the Tenants' Handbook. Arrangements are also being made for existing tenants to be provided with copies of both documents for their reference.

Grading: Green

Overall Grading: Red

4.12 Priority Plus

The Handyperson Service will be implemented once staff have been released from other duties and it is anticipated that the service will be available later in 2010/11 with two Handypersons being deployed. It was intended that this service would be available in 2009/10 and the delay in implementation is reflected in the overall grading below.

A total of 268 RCH tenants currently receive assistance under the Garden Tidy scheme and £399,000 was spent on equipment and adaptations for tenants with particular needs in 2009/10. Spending on equipment and adaptations now forms part of the Strategic Housing Investment Plan (SHIP) and this is monitored by Inverclyde Council and the Scottish Government Housing Investment Division (HID) as part of the SHIP process.

Overall grading: Amber

4.13 Internal Monitoring and Evaluation

The RCH Board receives quarterly Performance Monitoring and Operational Update reports from the Chief Executive that allow the Board to assess overall performance against the internal targets set for the financial year. These reports provide the RCH Board with an overview of performance across key areas of service delivery including repairs and maintenance, allocations, void works, customer services, tenancy support, and neighbourhoods (estate management). A comprehensive financial review is also provided to ensure that services are being delivered within budget and in accordance with the agreed RCH Business Plan (see paragraph 4.14 below).

Elements of these quarterly reports have been used to provide the commentary and to determine the overall grading information set out in paragraphs 4.2 – 4.12 of this report. The Regulator's Inspection Report raises concerns as to the effectiveness of this oversight and scrutiny process particularly in relation to the action taken by the RCH Board in response to performance that falls below targets or does not meet

expectations. Clearly this is a matter for the RCH Board however it does affect the commitments made to Inverclyde Council and to its former tenants that form the core of the agreed Annual Monitoring Framework.

Overall grading: Amber

4.14 Business Plan Monitoring

The RCH Annual Accounts for 2009/10 have not yet been completed and audited, and a copy will be submitted to Inverclyde Council in due course.

The demolition programme is slightly behind schedule due to difficulties in clearing certain properties and works will continue throughout 2010/11.

The Reprovisioning Programme is on schedule with site starts in the Port Glasgow (August 2009) and Greenock East (September 2009) areas. The first new homes to be delivered through the Reprovisioning Programme were let in May 2010, after the period covered by this report, and further completed homes are now being allocated as they are handed over to RCH. Progress continues to be monitored through regular meetings with Inverclyde Council and the HID.

As at 31 March 2010, 12% of the RCH housing stock (864 units) had been brought up to the Scottish Housing Quality Standard (SHQS). All RSLs are expected to meet the SHQS by 2015 and RCH has an annual investment programme designed to bring its stock up to the required standard. However, RCH have indicated that they are unlikely to meet the 2015 target set by the Scottish Government and this has been noted in the Regulator's Inspection Report. This is a matter of concern to Inverclyde Council and to the Regulator as RCH had given an undertaking to improve the quality of the housing stock in the run up to stock transfer albeit that this would have to be achieved over a number of years given the extent of the work involved. Inverclyde Council is also concerned that the annual SHQS Investment Programme is not taking full advantage of the Support For Owners funding arrangements that form part of the Stock Transfer Agreement, which are specifically designed to encourage participation by owner-occupiers in common works affecting their homes. This is the subject of a separate report to Committee.

The rent loss due to voids is high at 8.12% for 2009/10 and this is being addressed through the pilot scheme referred to in paragraph 4.11 above. This will continue to be monitored by RCH as part of the quarterly performance management reporting process.

Overall grading: Red

4.15 Scottish Housing Regulator – Inspection Report

RCH was inspected by the Scottish Housing Regulator in March 2010 as part of the agreed regulatory programme for RSLs established by the Scottish Government. The Inspection Report was published by the Regulator on 30 July 2010. The Regulator's comments on a number of key RCH statutory and contractual responsibilities to its tenants have been included in this report given that they represent an independent external assessment of overall performance. In addition to carrying out an on site inspection involving RCH staff, Board Members, and tenants, the Regulator also consulted with Inverclyde Council as part of this scrutiny process. The overall grading of RCH performance as determined by the Regulator was "C" (Fair), which means that improvements will have to be made in a number of areas and RCH will be obliged to put an Improvement Plan in place. The Improvement Plan should show how RCH intends to respond to the Regulator's findings and it will be agreed with and followed up by the Regulator to ensure that it is being implemented.

5.0 IMPLICATIONS

5.1 Legal

There are no additional legal implications for Inverclyde Council.

5.2 Financial

There are no financial implications for Inverclyde Council.

6.0 CONSULTATION

6.1 This report has been prepared in consultation with River Clyde Homes (Corporate Resources).

7.0 SUMMARY

7.1 For ease of reference, the following table summarises the “traffic light” grading assigned to RCH performance against the agreed headings in the Annual Monitoring Return:

Performance Area	Overall Grading
Rights of Tenants	AMBER
Rent Guarantees	GREEN
Board Membership	AMBER
Repairs Service	AMBER / RED
Anti-Social Behaviour	GREEN
Allocations Policy	AMBER
Allocations Policy – Homelessness Protocol	RED
Allocations Policy – Equal Opportunities Monitoring	GREEN
Estate Management	GREEN
Void Property Management	RED
Priority Plus	AMBER
Internal Monitoring and Evaluation	AMBER
Business Plan Monitoring	RED

7.2 As noted in paragraph 4.15 above, the Regulator will be monitoring the RCH Improvement Plan that has to be submitted by the end of September 2010. Inverclyde Council will also follow up on the matters of concern noted in this report through regular liaison meetings with RCH, with HID, and through the Elected Members who sit on the RCH Board who will continue to receive quarterly Performance Monitoring and Operational Update reports from the Chief Executive.

8.0 CONCLUSION

8.1 The Committee is asked to approve the recommendations at 3.1(a), 3.1(b) and 3.1(c) above.

9.0 LIST OF BACKGROUND PAPERS

9.1 Strategic Housing Function: Update and Work Programme 2008/09; report to Safe, Sustainable Communities Committee, 6 March 2008.

River Clyde Homes – Monitoring Framework; report to Safe, Sustainable Communities Committee, 1 September 2009.

[Min Ref
06/03/08
Para 174]
[Min Ref
01/09/09
Para 503]