



# Report

Report to:	<b>Financial Resources Scrutiny Forum</b>
Date of Meeting:	<b>23 August 2018</b>
Report by:	<b>Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Revenue Budget Monitoring 2018/2019 - Trading Operational Performance Review - Property Services</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ update members of the Financial Resources Scrutiny Forum of progress on the Council's Trading Operations, for the period covering 1 April 2018 to 22 June 2018.

## 2. Recommendation(s)

2.1. The Financial Resources Scrutiny Forum is asked to approve the following recommendation(s):-

- ◆ that the 2018/2019 operational performance review as at Period 4 (June 2018) for the Property Services Trading Operation be noted.

## 3. Background

3.1. As part of the Financial Resources Scrutiny Forum information, Financial and Operational Performance Review papers are included as part of a rotating reporting cycle.

3.2. The Housing and Technical Resources Trading Operation comprising Property Services is included within this report as at Period 4 (June 2018).

## 4. Financial Position

4.1. Table 1 overleaf details the financial statement for Property Services Trading Operation as at Period 4 (June 2018) and shows an operating surplus of £1,513 million.

**Table 1 – Property Services Trading Division 2018/2019**

	Annual Estimate £000	Phased Estimate £000	Actual Expenditure £000	Variance	
				£000	%
Direct Labour	21,926	4,934	5,008	(74)	(1.5%)
Direct Materials, Sub Conts & Major Plant	32,507	7,044	6,992	52	0.7%
Salaried Staff Costs	10,668	2,279	2,210	69	3.0%
Property Costs	725	141	155	(14)	(9.9%)
Supplies & Services	677	158	147	11	7.0%
Transport Costs	2,933	668	659	9	1.3%
Administration Costs	392	82	80	2	2.4%
Support Charges	5,293	1,043	1,039	4	0.4%
Financing Charges	107	10	4	6	60.0%
<b>Total Expenditure</b>	<b>75,228</b>	<b>16,359</b>	<b>16,294</b>	<b>65</b>	<b>0.4%</b>
<b>Total Income</b>	<b>(79,633)</b>	<b>(17,872)</b>	<b>(17,807)</b>	<b>(65)</b>	<b>0.4%</b>
<b>(Profit)/Loss</b>	<b>(4,405)</b>	<b>(1,513)</b>	<b>(1,513)</b>	<b>-</b>	<b>0.0%</b>

**5. Personnel Issues - Maximising Attendance**

- 5.1. Details of the absence figures recorded across all sections of Property Services from 2010/2011 to 2018/2019 are detailed in Table 2 below. Absence levels for Property Services (April 2018 - June 2018) are compared with previous financial year's attendance levels.
- 5.2. Members are asked to note that as at June 2018/2019 YTD absence figure for Property Services overall was 5.27%.

**Table 2: Property Services Analysis of Absence – By Section**

	Project Services 169 staff, 158.15 FTE		Building Services 741 staff, 717.67 FTE		Housing Investment 16 staff, 12.9 FTE		Estates 31 staff, 28.47 FTE	
	% Absence Rate	Total Number of Days Lost	% Absence Rate	Total Number of Days Lost	% Absence Rate	Total Number of Days Lost	% Absence Rate	Total Number of Days Lost
2010/11	2.69%	1223	4.60%	9402	3.72%	752	-	-
2011/12	2.55%	1072	4.14%	8116	3.84%	721	-	-
2012/13	2.65%	1167	4.72%	8417	2.03%	335	1.39%	107
2013/14	3.76%	1952	3.47%	6313	8.05%	1153	1.06%	84
2014/15	3.97%	1934	4.22%	8203	4.78%	228	2.09%	161
2015/16	3.44%	1622	4.62%	8794	5.09%	241	0.83%	64
2016/17	4.91%	1288	5.03%	5626	7.46%	206	0.52%	22
2017/18	3.14%	1321	5.39%	6191	2.14%	81	2.36%	176
April 2018	2.43%	81	6.50%	989	2.89%	8	0.84%	5
May 2018	1.78%	65	6.34%	1052	0.00%	0	0.15%	1
June 2018	2.50%	83	5.67%	852	0.00%	0	2.87%	17
YTD 1819	2.22%	229	6.18%	2893	0.95%	8	1.25%	23

- 5.3. Table 3 provides the split of absence between short and long term across each of the Services.

**Table 3 - Analysis of Absence – by type**

	<b>Project Services</b>	<b>Building Services</b>	<b>Housing Investment</b>	<b>Estates</b>
<b>Long Term</b>	69%	71%	0%	0%
<b>Short Term</b>	31%	29%	100%	100%

5.4. The Head of Property Services meets regularly with the Executive Director to agree and progress the relevant improvement actions to maintain Property Services performance in this area.

**6. Contract/Statutory Performance Indicators**

6.1. The Contract and Statutory Performance Indicator levels and the number of repairs completed on time for Housing for 2018/2019 as at Period 4 (June 2018) are detailed in Table 4, with General Services performance noted in Table 5.

**Table 4: Housing Repairs (Period 4)**

	<b>2017/18 Actual</b>	<b>2018/19 YTD (Period 4)</b>	<b>2018/19 Target</b>
<b>Standby</b>	98.9% 9,111	99.1% 2,128	97%
<b>Emergency</b>	99.1% 16,412	99.1% 3,729	97%
<b>Routine</b>	99.4% 7,546	99.9% 1,394	97%
<b>Repairs by Appointment</b>	98.1% 27,858	97.7% 5,891	97%
<b>Overall</b>	98.7% 60,927	98.6% 13,142	97%

**Table 5: General Services Property Repairs (Period 4)**

	<b>2017/18 Actual</b>	<b>2018/19 YTD (Period 4)</b>	<b>2018/19 Target</b>
<b>Capital</b>	97.1% 173	93.3% 30	97%
<b>Planned</b>	98.5% 1745	99.2% 385	97%
<b>Principal Offices</b>	99.6% 521	98.4% 124	97%
<b>Reactive</b>	99.7% 7,500	99.0% 1,722	97%
<b>Revenue</b>	99.5% 3,296	99.1% 758	97%
<b>Overall</b>	99.4% 13,235	99.0% 3,019	97%

**6.2. Housing Repairs Service Customer Satisfaction**

6.2.1. Housing Repairs Customer Satisfaction is reported quarterly through Research Resource Scotland and as at 2017/2018, in total 11,536 surveys had been issued with a response rate of 1,595 (14%). 2018/2019 Quarter 1 results are due in August 2018.

6.2.2. 89% of tenants were satisfied overall with first time fixes and 91% advised that repairs were completed within target timescales. The overall satisfaction with the Repairs Service provided was 91%.

### 6.3. Gas Servicing

6.3.1. As at Period 4 there were 20,325 gas maintained properties. Zero properties were out-with safety certificate. A total of 465 properties have been capped and made safe and zero void properties capped.

6.3.2. Housing Services continue to assess these properties to ensure that tenants receive appropriate support. These properties are also checked on an annual basis to ensure they remain safely capped. Details of the Gas properties are noted in Table 6.

**Table 6: Gas Servicing**

Area	Total Gas Properties	Capped Tenanted	Capped Void	Total Capped
Cambuslang	1,916	45	-	45
Rutherglen	2,367	77	-	77
Clydesdale North	1,279	19	-	19
Clydesdale South	1,474	23	-	23
East Kilbride	4,203	66	-	66
Blantyre	2,624	49	-	49
Hamilton	3,785	123	-	123
Larkhall	2,677	63	-	63
<b>Total</b>	<b>20,325</b>	<b>465</b>	<b>-</b>	<b>465</b>

## 7. Capital Works Programmes

### 7.1. Housing Investment Programme

The Housing Investment Programme continues to make good progress. In 2018/2019, the focus of this programme remains on kitchens and bathrooms, central heating installations, insulation works, external fabric upgrades, window and door replacements, the new build housing programme and energy insulation measures.

7.2. This report will focus specifically on installation progress across the main work streams for both year and programme to date, as well as the feedback received from our customer satisfaction surveys.

### 7.3. Installation Progress

Table 7 provides a summary of installations across the 3 main work streams of the Housing Capital Programme to Period 4 (June 2018), as well as cumulative totals in the programme to date (signed off properties).

**Table 7: Housing Capital Programme Completions**

	Kitchen & Bathroom	Central Heating	Doors & Windows
<b>Total for Financial Year to Date</b>	6	367	18
<b>Total for Programme to Date</b>	25,834	13,352	9,336

### 7.4. New Council Homes

The following projects are currently under development as part of the Councils new housing programme:-

- Almada Street, Hamilton (10 units)
- Heatheryknowe, East Kilbride (18 units)
- South Vennel (18 units)

- Morven Avenue, Blantyre (14 units)
- St Blanes, Blantyre (20 units)
- East Milton, East Kilbride (30 units)
- St Leonards, East Kilbride (60 units)
- Kirkton, Carluke (18 units)
- Highstonehall (24 Units)

7.5. Work is continuing to ensure that all rentable housing stock meets the Energy Efficiency Standard for Social Housing (ESSH) deadline of 31 December 2020. Currently, 89.67% of the rentable housing stock meets the ESSH standard.

## 7.6. Customer Satisfaction

7.6.1. As at Period 4 2018/2019, customer satisfaction is as noted below:-

7.6.2. Central Heating – to date a total of 234 questionnaires have been issued by Research Resource Scotland, with a 22% response rate. Of these, 98% of customers were satisfied with the finished product and 100% were satisfied with their overall experience.

7.6.3. External Doors and Windows – no results received to date for 2018/2019.

7.6.4. The above results continue to show all satisfaction categories are exceeding the set target of 85% for both service and product.

7.6.5. Customer satisfaction results consist of both statistical and literal information received from tenants in relation to their experience of capital improvement works. Relevant managers review these results which are then used to inform future targeted improvement actions.

## 8. General Services Works Programme

### 8.1. Primary Schools Modernisation Programme

Ongoing work continues within the Primary School Schools Modernisation Programme with Building Services currently on site at the new school for Underbank Primary School and planning is underway for Elsrickle Primary School. Progress continues in line with agreed programmes.

To date:-

- 128 Primary Schools/Nurseries have been completed - 30 of these have been completed by Building Services.
- 2 Primary Schools/Nurseries currently under construction - 2 are being carried out by Building Services.
- 3 Primary Schools/Nurseries are to be progressed.

## 9. Customer Complaints and Enquiries (Property Services)

9.1. The total number of complaints received by Housing and Technical Resources as at Period 4 (June 2018) is shown in Table 8.

**Table 8: Resource Complaints Across Each Geographical Area**

Location	Financial Period 4	Year to Date (2018/19)
	Complaints Recorded	Complaints Recorded
Hamilton	8	16
East Kilbride	6	18
Rutherglen/Cambuslang	3	12
Clydesdale	7	11
<b>Total</b>	<b>24</b>	<b>57</b>

9.2. Table 9 provides a breakdown by area of the complaints received by Property Services.

**Table 9: Property Services: - Complaints Recorded**

Location	Financial Period 4	Year to Date (2018/19)
	Complaints Recorded	Complaints Recorded
Contracts EK	0	1
Design	1	2
Estates	3	4
Factoring	2	8
Home Happening	1	1
Home Happening Defects	0	0
Home Improve	0	0
Property Maintenance EK/Ruth/Cam/Blan	7	13
Property Maintenance Ham/Lark/C.dale	6	8
Services EK	2	9
<b>Total</b>	<b>22</b>	<b>46</b>

9.3. Table 10 shows a specific breakdown of the primary nature of complaints received across all Property Services operations as an example of the root cause issues currently being investigated.

**Table 10: Property Services: - Complaints Recorded by Nature (Period 4 only)**

	Unsatisfactory Workmanship/ Material	Delay in Responding	Employee Action/ Attitude	Communication Problem	Customer Perception of Repair	Other	Total
Contracts EK	0	0	0	0	0	0	0
Design	0	0	0	0	0	1	1
Estates	0	0	0	0	0	3	3
Factoring	0	0	0	0	0	2	2
Home Happening	0	0	0	0	0	1	1
Prop Maint EK/Ruth/ Cam/Blan	0	1	2	2	0	3	8
Prop Maint Ham/Lark/ C.dale	0	2	2	2	0	0	6
Services EK	0	0	0	1	0	0	1
<b>Total</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>10</b>	<b>22</b>

9.4. Members are asked to note that the overall number of complaints recorded by Housing and Technical Resources in Period 4 was 24.

9.5. Of the 24 complaints received, Property Services recorded 22 complaints (92% of the total). 96% complaints closed were resolved within agreed Council target timescales. Performance continues to be monitored and reported on monthly at management meetings, with scrutiny further extended to include regular sample audits of complaints received across Property Services.

9.6. Analysis of the number of Property Services enquiries received at Local Area Offices and Customer Support from Councillors, MSPs and MPs at Period 4, is shown in Table

11. Of the total number of enquiries received at Period 4, 40 (56%) were received from Councillors, 22 (31%) from MSPs and 5 (13%) from MP.

**Table 11: Property Services Enquiries Recorded Across Local Area Offices and Customer Support**

Nature of Enquiry	Financial Period 4	Year to Date (2018/19)
	Enquiries Recorded	Total Enquiries Recorded
Councillor	40	73
MSP	22	86
MP	9	32
<b>Total</b>	<b>71</b>	<b>191</b>

## **10. Employee Implications**

10.1. None

## **11. Financial Implications**

11.1. As at Period 4 Property Services is on target to achieve the required surplus target set.

## **12. Other Implications**

12.1. The main risk associated with the Trading Operations' Budget is that the required surplus is not achieved. The risk has been assessed as low given the detailed budget management applied across the Resource. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.

12.2. There are no implications for sustainability in terms of the information contained in this report.

## **13. Consultation Arrangements**

13.1. Regular consultation with Trades Unions regarding employee related issues continues through established forums.

## **14. Equality Impact Assessment**

13.2. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore, no impact assessment is required.

**Danny Lowe**

**Executive Director (Housing and Technical Resources)**

**31 July 2018**

## **Link(s) to Council Objectives/Values/Ambitions/Objectives**

- ◆ Improve the availability, quality and access of housing
- ◆ Improve later life
- ◆ Improve achievement, raise educational attainment and support lifelong learning
- ◆ Ensure schools and other places of learning are inspirational
- ◆ Support our communities by tackling disadvantage and deprivation and supporting aspiration

## **Previous References**

- ◆ None

**List of Background Papers**

- ◆ Financial ledger and budget monitoring results to 22 June 2018 (Period 4)

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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