



Report

Report to:	Financial Resources Scrutiny Forum
Date of Meeting:	8 March 2018
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Revenue Budget Monitoring 2017/18 - Trading Operational Performance Review - Property Services
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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 2017 to 5 January 2018.

2. Recommendation(s)

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

- ◆ that the 2017/2018 operational performance review as at Period 11 (5 January 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 11 (December 2017).

4. Financial Position

4.1. Table 1 overleaf details the financial statement for Property Services Trading Operation as at Period 11 (5 January 2018) and shows an operating surplus of £2,780 million.

Table 1 – Property Services Trading Division 2017/2018

	Annual Estimate £000	Phased Estimate £000	Actual Expenditure £000	Variance	
				£000	%
Direct Labour	21,379	16,331	16,533	(202)	(1.2%)
Direct Materials, Sub Conts and Major Plant	29,592	20,800	21,301	(501)	(2.4%)
Salaried Staff Costs	10,492	8,049	7,763	286	3.6%
Property Costs	724	555	563	(8)	(1.4%)
Supplies and Services	677	519	472	47	9.1%
Transport Costs	2,932	2,249	2,248	1	0.0%
Administration Costs	391	300	309	(9)	(3.0%)
Support Charges	5,325	4,085	4,082	3	0.1%
Financing Charges	104	80	71	9	11.3%
Total Expenditure	71,616	52,968	53,342	(374)	(0.7%)
Total Income	(75,746)	(55,748)	(56,122)	374	0.7%
(Profit) / Loss	(4,130)	(2,780)	(2,780)	0	0.0%

5. Personnel Issues - Maximising Attendance

5.1. Details of the absence figures recorded across all sections of Property Services from 2010/2011 to 2017/2018 are detailed in Table 2 below. Absence levels for Property Services (April 2017 – December 2017) are compared with previous financial year's attendance levels.

Members are asked to note that as at December 2017/2018 YTD absence figure for Property Services overall was 4.54%.

Table 2: Property Services Analysis of Absence – By Section

	Project Services 172 staff, 163.12 FTE		Building Services 747 staff, 728.70 FTE		Housing Investment 17 staff, 14.7 FTE		Estates 31 staff, 29.08 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%	1,223	4.60%	9,402	3.72%	752	-	-
2011/12	2.55%	1,072	4.14%	8,116	3.84%	721	-	-
2012/13	2.65%	1,167	4.72%	8,417	2.03%	335	1.39%	107
2013/14	3.76%	1,952	3.47%	6,313	8.05%	1,153	1.06%	84
2014/15	3.97%	1,934	4.22%	8,203	4.78%	228	2.09%	161
2015/16	3.44%	1,622	4.62%	8,794	5.09%	241	0.83%	64
2016/17	4.91%	1,288	5.03%	5,626	7.46%	206	0.52%	22
Apr 2017	4.28%	141	4.59%	672	3.27%	11	1.00%	6
May 2017	3.56%	133	3.99%	669	6.74%	26	0.00%	0
Jun 2017	2.97%	109	4.41%	704	0.00%	0	1.07%	7
Jul 2017	2.80%	98	4.97%	758	0.00%	0	0.00%	0
Aug 2017	2.82%	106	4.18%	706	0.61%	2	5.60%	37
Sept 2017	2.04%	69	4.29%	658	3.03%	9	5.73%	34
Oct 2017	1.87%	66	4.27%	690	3.79%	11	3.37%	21
Nov 2017	4.04%	143	6.28%	1016	0.00%	0	3.69%	23
Dec 2017	3.18%	108	8.26%	1272	0.00%	0	3.88%	23
YTD 1718	3.06%	973	5.01%	7145	2.04%	59	2.67%	151

Table 3 - Analysis of Absence – by type

	Project Services	Building Services	Housing Investment	Estates
Long Term	64%	61%	32%	61%
Short Term	36%	39%	68%	39%

5.2. 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 2017/2018 as at Period 11 (December 2017) are detailed in Table 4 below, with General Services performance noted in Table 5.

Table 4: Housing Repairs (Period 11)

	16/17 Actual	17/18 YTD (Period 11)	17/18 Target
Standby	99.2% 8,848	98.9% 7,150	97%
Emergency	98.9% 15,065	99.3% 12,271	97%
Routine	99.5% 7,044	99.8% 5,533	97%
Repairs by Appointment	98.5% 34,083	98.3% 21,208	97%
Overall	98.8% 65,040	98.8% 46,162	97%

Table 5: General Services Property Repairs (Period 11)

	16/17 Actual	17/18 YTD (Period 11)	17/18 Target
Standby	100% 367	100% 275	97%
Emergency	99.8% 4,664	99.7% 3,463	97%
Urgent	99.5% 5,200	99.5% 3,629	97%
Routine	99.1% 1,244	99.3% 986	97%
Planned	99.3% 3,921	99.5% 1,534	97%
Overall	99.5% 15,352	99.6% 9,887	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 Quarter 2, 4,953 surveys had been issued with a response rate of 734 (15%).

6.2.2. 91% 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 92%.

6.3. Gas Servicing

6.3.1. As at Period 11 there were 20,259 gas maintained properties. Zero properties were out-with safety certificate. A total of 445 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.

6.3.3. Details of the Gas properties are noted in Table 6 below.

Table 6: Gas Servicing

Area	Total Gas Properties	Capped Tenanted	Capped Void	Total Capped
Cambuslang	1,906	43	-	43
Rutherglen	2,363	76	-	76
Clydesdale North	1,253	18	-	18
Clydesdale South	1,471	25	-	25
East Kilbride	4,185	57	-	57
Blantyre	2,624	52	-	52
Hamilton	3,783	111	-	111
Larkhall	2,674	63	-	63
Total	20,259	455	0	455

7. Capital Works Programmes

7.1. Housing Investment Programme

The Housing Investment Programme continues to make good progress. In 2017/2018, 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 11 (December 2017), 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
Total for Financial Year to Date	20	1081	479
Total for Programme to Date	25,828	12,985	9,318

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)

- Belstone Gate, Carluke (22 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 (58 units)
- Kirkton, Carluke (18 units)

7.5. Work is continuing to ensure that all rentable housing stock meets the Energy Efficiency Standard for Social Housing (EESH) deadline of 31 December 2020. Currently, 88.16% of the rentable housing stock meets the EESH standard.

7.6. **Customer Satisfaction**

As at Period 11 customer satisfaction is as noted below:-

7.6.1. Central Heating – to date a total of 1,118 questionnaires have been issued by Research Resource Scotland, with a 28% response rate. Of these, 96% of customers were satisfied with the finished product and 94% were satisfied with their overall experience.

7.6.2. External Doors and Windows – to date a total of 599 questionnaires have been issued by Research Resource Scotland, with a 20% response rate. Of these, 97% of customers were satisfied with the finished product and 93% were satisfied with their overall experience.

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

7.6.4. 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, Tinto, Crawford, St Patricks and Hallside Primary Schools. Progress continues in line with agreed programmes.

To date:-

- 122 Primary Schools/Nurseries have been completed - 27 of these have been completed by Building Services.
- 5 Primary Schools/Nurseries currently under construction - 5 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 11 (December 2017) is shown in Table 8.

Table 8: Resource Complaints Across Each Geographical Area

Location	Financial Period 11	Year to Date (2017/18)
	Complaints Recorded	Complaints Recorded
Hamilton	4	35
East Kilbride	8	52
Rutherglen/Cambuslang	8	57
Clydesdale	3	23
Total	23	167

- 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 11	Year to Date (2017/18)
	Complaints Recorded	Complaints Recorded
Contracts EK	0	2
Design	1	9
Estates	0	3
Factoring	3	27
Home Happening	0	1
Home Happening Defects	0	0
Home Improve	0	0
Property Maintenance EK/Ruth/Cam/Blan	6	34
Property Maintenance Ham/Lark/C.dale	1	19
Services EK	5	28
Total	16	123

- 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 11 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	1	0	0	0	0	0	1
Factoring	1	0	1	0	0	1	3
Home Happening	0	0	0	0	0	0	0
Prop Maint EK/Ruth/ Cam/Blan	1	2	3	0	0	0	6
Prop Maint Ham/Lark/ C.dale	0	1	0	0	0	0	1
Services EK	1	4	0	0	0	0	5
Total	4	7	4	0	0	1	16

- 9.4. Members are asked to note that the overall number of complaints recorded by Housing and Technical Resources in Period 11 was 23.

- 9.5. Of the 23 complaints received, Property Services recorded 16 complaints (70% of the total). 81% 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 11, is shown in Table 11. Of the total number of enquiries received at Period 11, 13 (42%) were received from Councillors, 13 (42%) from MSPs and 5 (16%) from MP.

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

Nature of Enquiry	Financial Period 11	Year to Date (2017/18)
	Enquiries Recorded	Total Enquiries Recorded
Councillor	13	275
MSP	13	196
MP	5	93
Total	31	564

10. Employee Implications

- 10.1. None

11. Financial Implications

- 11.1. As at Period 11 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)

21 February 2018

Link(s) to Council Values/Ambitions/Objectives

- ◆ Improve the Availability, Quality and Access of Housing
- ◆ Improve later life
- ◆ Improve achievement, raise educational attainment and support lifelong learning
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

Previous References

- ◆ None

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 5 January 2018

Contact for Further Information

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

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