



Report

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Report to:	Financial Resources Scrutiny Forum
Date of Meeting:	16 November 2017
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 15 September 2017.

2. Recommendation(s)

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

- ◆ that the 2017/18 operational performance review as at Period 7 (15 September 2017) 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 7 (15 September 2017).

4. Financial Position

4.1. Table 1 overleaf details the financial statement for Property Services Trading Operation as at Period 7 (15 September 2017) and shows an operating surplus of £1,998 million.

Table 1 – Property Services Trading Division 2017/18

	Annual Estimate £000	Phased Estimate £000	Actual Expenditure £000	Variance	
				£000	%
Direct Labour	21,379	9,790	9,758	32	0.3%
Direct Materials, Sub Contd & Major Plant	29,592	13,420	13,313	107	0.8%
Salaried Staff Costs	10,493	4,782	4,701	81	1.7%
Property Costs	711	327	334	(7)	(2.1%)
Supplies & Services	677	311	256	55	17.7%
Transport Costs	2,940	1,353	1,345	8	0.6%
Administration Costs	400	184	195	(11)	(6.0%)
Support Charges	5,325	2,451	2,435	16	0.7%
Financing Charges	104	48	51	(3)	(6.3%)
Total Expenditure	71,621	32,666	32,388	278	0.9%
Total Income	(75,746)	(34,664)	(34,386)	(278)	(0.8%)
(Surplus) / Deficit	(4,125)	(1,998)	(1,998)	0	0.0%

5. Personnel Issues - Maximising Attendance

5.1. Details of the absence figures recorded across all sections of Property Services from 2010/11 to 2017/18 are detailed in Table 2 below. Absence levels for Property Services (April – September 2017) are compared with previous financial year's attendance levels.

5.2. Members are asked to note that as at September 2017/18, the Year To Date absence figure for Property Services overall was 4.04%.

Table 2: Property Services Analysis of Absence – By Section

	Project Services 172 staff, 163.12 FTE		Building Services 745 staff, 727.14 FTE		Housing Investment 17 staff, 14.5 FTE		Estates 31 staff, 29.1 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
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
YTD 1718	3.08%	656	4.39%	4167	2.36%	48	2.21%	84

- 5.3. Table 3 below shows an analysis of the absence for each service across long and short term absence.

Table 3 - Analysis of Absence – by type

	Project Services	Building Services	Housing Investment	Estates
Long Term	70%	61%	40%	39%
Short Term	30%	39%	60%	61%

- 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 2017/18 as at Period 7 (September 2017) are detailed in Table 4 below, with General Services performance noted in Table 5.

Table 4: Housing Repairs (Period 7)

	16/17 Actual	17/18 YTD (Period 7)	17/18 Target
Standby	99.2% 8,848	98.9% 4,755	97%
Emergency	98.9% 15,065	99.2% 8,042	97%
Routine	99.5% 7,044	99.8% 3,612	97%
Repairs by Appointment	98.5% 34,083	98.4% 15,296	97%
% Actual Overall	98.8% 65,040	98.8% 31,705	97%

Table 5: General Services Property Repairs (Period 7)

	16/17 Actual	17/18 YTD (Period 7)	17/18 Target
Standby	100% 367	100% 171	97%
Emergency	99.8% 4,664	99.6% 1,989	97%
Urgent	99.5% 5,200	99.7% 2,058	97%
Routine	99.1% 1,244	99.5% 546	97%
Planned	99.3% 3,921	99.4% 900	97%
Overall	99.5% 15,352	99.5% 5,664	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 1, 2,716 surveys had been issued with a response rate of 399 (15%).

6.2.2. 95% 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 95%.

6.3. Gas Servicing

6.3.1. As at Period 7 (September 2017) there were 20,247 gas maintained properties. Zero properties were out-with safety certificate. A total of 472 properties have been capped and made safe. 471 of these are tenanted properties and 1 is currently void.

6.3.2. Area 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.

Table 6: Gas Servicing

Area	Total Gas Properties	Capped Tenanted	Capped Void	Total Capped
Cambuslang	1,906	48	-	48
Rutherglen	2,361	76	-	76
Clydesdale North	1,248	26	-	26
Clydesdale South	1,469	28	1	29
East Kilbride	3,868	46	-	46
Blantyre	2,624	53	-	53
Hamilton	3,779	114	-	114
Larkhall	2,992	80	-	80
Total	20,247	471	1	472

7. Capital Works Programmes

7.1. Housing Investment Programme

The Housing Investment Programme continues to make good progress. In 2017/18 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 7 (September 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	0	602	403
Total for Programme to Date	25,808	11,904	8,839

7.4. New Build Sites

- 7.4.1. Projects at Fernhill (70 units), Uddingston apartments (12 units) and Maxwellton (16 units) are now complete and handed over.
- 7.4.2. Almada Street office conversion to flats (10 units) – currently on site and due to be complete by March 2018.
- 7.4.3. Belstone Gate, Carluke (22 units) – currently on site and due to be complete by March 2018.
- 7.4.4. Heatheryknowe, East Kilbride (18 units) - currently out to tender with site start programmed for November 2017.
- 7.4.5. South Vennel (18 units) - currently out to tender with site start programmed for November 2017.
- 7.4.6. Morven Avenue, Blantyre (14 units) – currently out for pricing with site start programmed for November 2017.
- 7.4.7. Highstonehall Road, Hamilton (24 units) – currently on site and due for completion July 2018.
- 7.4.8. St Blanes, Blantyre (20 units) - currently out to tender with site start programmed for November 2017.
- 7.4.9. East Milton, East Kilbride (30 units) - 5 blocks of apartments. Currently at design stage with start date programmed for end of January 2018.
- 7.4.10. St Leonards, East Kilbride (58 units) – Design and Build project awarded to Cruden Building and Renewals with programmed site start date is March 2018.
- 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, 87.19% of the rentable housing stock meets the EESH standard.
- 7.6. **Customer Satisfaction**
As at Period 7 customer satisfaction is as noted below:-
 - 7.6.1. Central Heating – a total of 578 questionnaires have been returned to Research Resource Scotland. Of these, 97% of customers were satisfied with the finished product and 94% were satisfied with their overall experience.
 - 7.6.2. External Doors and Windows – a total of 480 questionnaires have been returned to Research Resource Scotland. Of those, 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.
- ◆ Primary Schools/Nurseries currently under construction - 5 are being carried out by Building Services.
- ◆ Primary Schools/Nurseries are to be progressed - 3 with Building Services.

9. Customer Complaints and Enquiries (Property Services)

9.1. The total number of complaints received by Housing and Technical Resources as at Period 7 (17 September 2017) is shown in Table 8.

Table 8: Resource Complaints Across Each Geographical Area

Location	Financial Period 7	Year to Date (2017/18)
	Complaints Recorded	Complaints Recorded
Hamilton	4	15
East Kilbride	3	31
Rutherglen/Cambuslang	1	36
Clydesdale	2	15
Total	10	97

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 7	Year to Date (2017/18)
	Complaints Recorded	Complaints Recorded
Contracts EK	0	2
Design	1	4
Estates	0	0
Factoring	1	13
Home Happening	0	0
Home Happening Defects	0	0
Home Improve	0	0
Property Maintenance EK/Ruth/Cam/Blan	1	23
Property Maintenance Ham/Lark/C.dale	3	7
Services EK	0	13
Total	6	62

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

- 9.4. Members are asked to note that the overall number of complaints recorded by Housing and Technical Resources in Period 7 was 10.
- 9.5. Of the 10 complaints received, Property Services recorded 6 complaints (60% of the total). 100% 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 7, is shown in Table 11. Of the total number of enquiries received at Period 7, 38 (51%) were received from Councillors, 22 (30%) from MSPs and 14 (19%) from MP.

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

Nature of Enquiry	Financial Period 7	Year to Date (2017/18)
	Enquiries Recorded	Total Enquiries Recorded
Councillor	38	161
MSP	22	133
MP	14	58
Total	74	352

10. Employee Implications

- 10.1. None

11. Financial Implications

- 11.1. As at Period 7 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 there is a reduction in the surplus 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)

23 October 2017

Link(s) to Council Objectives

- ◆ Improve the Quality, Access and Availability of Housing
- ◆ Develop Services for Older People
- ◆ Raise Educational Attainment for all
- ◆ Improve Community Service

Previous References

- ◆ None

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 15 September 2017

Contact for Further Information

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

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