

HOUSING SELECT COMMITTEE			
Report Title	Brockley PFI – 2013-14 Mid-year Review Report		
Key Decision	No	Item No.	4
Ward	Brockley		
Contributors	Head of Strategic Housing		
Class		Date:	4 December 2013

1. Summary

- 1.1. The Brockley Private Finance Initiative (PFI) commenced in September 2007 and involved the refurbishment of 1,839 dwellings situated in the Brockley neighbourhood, of which 1,328 are tenanted and 511 are leaseholder dwellings.
- 1.2. The PFI project involves the refurbishment, management and maintenance of properties for 20 years.
- 1.3. The purpose of this report is to give a brief overview of the Brockley PFI project and the key achievements and progress that has been made during the first half of 2013/14.

2. Recommendation

- 2.1. It is recommended that Members note the contents of the report.

3. Background

- 3.1. RB3 Brockley PFI went live on the 3rd September 2007. The contract for refurbishing and maintaining the properties includes the provision for housing repair and maintenance, caretaking, cleaning, tenancy and estate management service for a period of 20 years.
- 3.2. RB3 is a special purpose vehicle set up to deliver the Brockley PFI project.
 - The initial refurbishment of the properties was carried out by Higgins.
 - Housing management and estate services is delivered by Pinnacle.

- Repairs and Maintenance and continuing life cycle works is delivered by Rydon Maintenance (formerly Equipe).

4. Performance Indicators

- 4.1. Altogether there are 26 contractual Key Performance Indicators (KPI), of which 19 are provided on a monthly basis and seven on an annual basis. The list of the KPIs is provided at Appendix 1.
- 4.2. The data entry sheet, which provides the current performance against those KPIs up until September 2013, is given in Appendix 2.

5. Customer Service

- 5.1. RB3 has performed well in the first six months of the year regarding answering correspondence on time with 100% being responded to within the 10 working day target.
- 5.2. In terms of complaints we received 69 complaints between April and September this year. The breakdown is shown below:

	Housing Management	Repairs	Total
Stage 1	22	25	47
Stage 2	12	7	19
Stage 3	1	2	3

- 5.3. RB3 are responsible for stage 1 complaints and 100% were responded to on time. Complaints at stage 2 and 3 are responded to by the Council.
- 5.4. RB3 have reviewed the way they are dealing with complaints and have implemented the following to improve complaints handling and the quality of responses:
- Management oversight of all complaints through Pinnacle.
 - Internal complaints meetings to analyse and discuss the nature and types of complaints received.
 - The introduction of 'learning circles' with staff to ensure any lessons are learnt and the customers experiences are shared with the team.
 - Closer working with the LBL casework team which includes liaison meetings.

6. Tenancy Management

- 6.1. A further review of the way ASB cases were managed was undertaken in May 2013 and this has improved the management of cases. This involved:
- The introduction of an ASB panel where cases are actively reviewed by management.
 - Joining the Crime and Anti-social Behaviour forum run by LEWHAG to share best practice and learn from other Registered Providers working in the borough.
 - Closer working with the LBL Community Safety and ASB teams.
- 6.2. RB3 have completed 34% of Tenancy Audits at the end of September, which is a contractual annual KPI. This is running behind the profiled target but there has been an increased focus on these and it is anticipated that we will complete all audits by February 2014. Furthermore, there is a close working relationship with the Lewisham's Fraud Team and there have been a number of cases that have been referred for investigation.

7. Leasehold Management

- 7.1. There are currently no cases going through the Leasehold Valuation Tribunal.
- 7.2. However, in December 2012, an LVT case was referred to the Upper Case Tribunal and it was determined that the full management fee of 10% was reasonable but that the professional fees should be reduced by 2%, from 26% to 24%. Lewisham has taken the decision to award all Leaseholders in the Brockley PFI area the 2% refund on professional fees and the accounts are in the process of being credited accordingly.
- 7.3. The service charge actuals for 2012/13 have been successfully audited and they are due to be dispatched during the month of November.
- 7.4. There have also been improvements in the service through increasing resources, staff training and the recruitment of an experienced leasehold manager.
- 7.5. Leasehold involvement through the leasehold forum has also been key driving service improvements.

8. Income Collection

- 8.1. The amount of rent collected at the end of September was 99.9% of the debit raised. This is 0.9% ahead of Lewisham Homes who achieved 99.0%. RB3 are

measured against the performance indicator MKPI14 for rent collection, which requires the provider to be ahead of the borough month on month.

MKPI 14 – Rent Collection						
	April	May	June	July	August	September
RB3	104.7%	99.6%	99.5%	100.0%	98.6%	99.9%
Lewisham Homes	103.4%	98.7%	98.3%	99.4%	98.4%	99.0%
MKPI 14 – % difference	1.4%	0.9%	1.2%	0.6%	0.2%	0.9%

- 8.2. With the implementation of the Welfare Reform, RB3 has implemented a number of measures to ensure, as far as possible, that residents are able to keep up with rent. This has involved, face to face interviews and planning with all residents affected by the benefit cap and social sector size criteria restriction.
- 8.3. RB3 has publicised the reforms in their newsletters, signposted residents to budgeting experts, encouraged downsizing, transfers and advised on taking in lodgers. The housing team has also assisted residents in making applications for Discretionary Housing benefit.
- 8.4. Furthermore, RB3 participated in the recent mutual exchange event with Lewisham Homes and Phoenix to facilitate moves between residents affected by the bedroom tax. All housing staff have also received Financial Inclusion training in order to skill up staff on the recent reforms and to enable them to effectively advise and signpost residents.

9. Estate Management

- 9.1. RB3 carry out regular inspections of estates checking the quality of cleaning, gardening and repairs in the communal areas on a monthly basis. RB3 also ensure that all residents are notified of planned quarterly estate inspections through our newsletter, the Brockley Bugle, website and block notices, so they can participate in the process.
- 9.2. An average of 700 inspections are carried out each month of internal and external communal areas. Over the current period RB3 achieved an average Environmental Performance Report (EPA) standard A in 95.4% of external inspections and a 92.9% on internal inspection. The contractual standard is 90%.

Environmental Performance Standards							
	April	May	June	July	August	September	YTD
External Areas (MKPI 9)	95.1%	93.2%	95.7%	95.0%	96.5%	96.9%	95.4%
Internal Areas (MKPI 10)	93.9%	95.5%	91.7%	91.6%	92.4%	93.0%	92.9%

9.3. Our survey results show that over 80% of residents are satisfied with the cleaning and gardening of their blocks. The performance figures for the period under review are set out above.

10. Void Management

10.1. Void performance is monitored monthly through a contractual monthly KPI which measures the average time in letting minor void dwellings and a target of 28 days has been set.

10.2. During the first 6 months of this year, there were a total of 26 voids with an average re-let time of 22 days. All properties are re-serviced and brought up to the contractual Decent Homes plus standard by Rydon.

11. Asset Management

11.1. Properties within the Brockley PFI area were brought up to the Decent Homes standard when Higgins completed the refurbishment of properties in 2010. We are now embarking on the lifecycle programme where building elements that have reached the end of their economic life are replaced. Tenants and leaseholders will be fully consulted before any works are carried out.

12. Repairs and Maintenance

12.1. The responsive repairs maintenance service covers all day to day repairs including an emergency out of hour's service, and the management of void properties. The average number of repairs carried each month for the half year to date is 570. The three main Key Performance Indicators relating to the responsive repairs performance are identified below.

Repairs Performance		
	Target	YTD Performance
MKPI 5 - % of telephone calls answered in 15 seconds	92.5%	93.5%
MKPI 17 - % Responsive Emergency Repairs responded to in time	97%	99.9%
MKPI 18 - % Responsive repairs carried out within priority times	95%	99.5%

12.2. The repairs service is also contractually monitored through the 'availability standards'. These standards set out timeframes of when items should be repaired, if they are not repaired within the set timeframes they become 'unavailable' and a monetary penalty is applied to RB3. There have been penalties applied to RB3 as they have not always met the standard of 100%.

12.3. The full set of data relating to these KPIs is provided at Appendix 2.

13. Health and Safety

13.1. Rydon has completed 769 gas services across the tenanted stock to date. Gas servicing during the reporting period is 99.99% completed. The target is to complete between 99-100% otherwise financial deductions will be incurred. Rydon work closely with the Council's Environmental Health team to enable access if it is not being granted by the tenant after several unsuccessful attempts.

14. Resident Involvement

14.1. The RB3 Residents Board represents all residents in the Brockley PFI area and is the forum where discussion and consultation on issues of relevance to residents takes place. It currently meets bimonthly and participation has increased steadily from low levels initially to the current attendance by 20 to 25 residents at most meetings. At each meeting there is an opportunity for residents to raise individual concerns with the relevant officials and guest speakers attend to make presentations on wider issues.

14.2. There have been a number of initiatives that have taken place this year and the highlights are set out below:

- Big Lunch - Tyrwhitt Road Neighbourhood Watch. Street party taking part in the national big lunch day.
- Foxborough Gardens TRA Fun Day – supported by RB3.
- Community Contact Day – this was held in August and open to all residents to attend and speak to RB3 officers.
- Hilly Fields Summer Fayre – RB3 stall to support this local event.

15. Financial Implications

15.1. There are no specific financial implications arising from the report.

16. Legal Implications

16.1. There are no specific legal implications arising from the report.

17. Equality Implications

17.1. There are no direct equalities implications arising from the report but listed below are areas where RB3 are impacting on the equalities and diversity agenda.

17.2. The RB3 estate office at Endwell Road is Disability Discrimination Act (DDA) compliant and includes a ramp for wheelchairs, WC, parking and has a hearing loop system in place.

18. Crime & Disorder Implications

18.1. There are no crime and disorder implications arising from the report.

19. Environmental Implications

19.1. Any further works carried out by RB3 as part of the life cycle programme should lead to greater energy efficiency, reduced maintenance costs and lower fuel bills for residents. It will also reduce the level of harmful gases being released into the atmosphere as improved insulation and more efficient boilers are installed. The average Standard Assessment Procedure rating of the homes in the Brockley PFI area is 77, which is above the contractual obligation of a minimum of 70.

20. Conclusion

20.1. RB3 have generally met the contractual obligations within the contract and they have also introduced a number of improvements to enhance service delivery. RB3 are committed to working closely with LBL to continue to deliver improved services to residents living in the Brockley PFI area.

21. Background documents and originator

21.1. There are no background documents to this report.

21.2. If you need any further information about this report please contact Scott Cook, Interim Partnerships and Service Improvement Manager, on 020 8314 6534.