

South Lakes Housing

Decent Homes

Quarter 4—2007/8



The Decent Homes Programme

Progress to date

Contract	No. of properties completed to date	% handovers of total contract complete	% Satisfaction Questionnaire return rate to date	Comment
Rinkfield	78	100%	88.5%	Works complete
Kirkbarrow Ext	213	100%	-	Works complete
Kirkbarrow Int	261	100%	32%	Works complete
Sandylands Ext	170	100%	-	Works complete
Sandylands Int	176	100%	51%	Works complete
Sedbergh Estate	116	100%	65%	Works complete
Castle Estate	91	100%	52%	Works complete
Burneside	56	100%	65%	Works complete
Hallgarth	187	100%	62%	Works complete
Waterside/Fellside	147	100%	59%	Works complete
Kirkby Lonsdale	84	100%	69%	Works complete
Milnthorpe	161	100%	43%	Works complete
Arnside/Burton/Levens/Holme	95	100%	73%	Works complete
Ulverston Rural	160	100%	61%	Works complete
Ulverston North	167	100%	61%	Works complete
Grange	141	80%	46%	Works commenced 19/11/07 Works commenced 03/03/08 Works due to start 14/04/08
Ulverston South	5	2%	-	
Lakes Rural	-	-	-	
Disabled Adaptations	74	-	44%	Works complete

Customer Satisfaction

Satisfaction in all areas of product and service continues to improve and has been at a consistently high level since the introduction of the visit log and the recruitment of 3 additional Resident Liaison Officers. The log is placed in each property and Bramall staff are required to sign at least twice a day to show that they have communicated with the tenant and inspected the work. If tenants are out during the day the Resident Liaison Officer attempts to make contact with them that evening. Tenants will also be contacted by 10.00am if a trades-person is unable to keep an appointment.

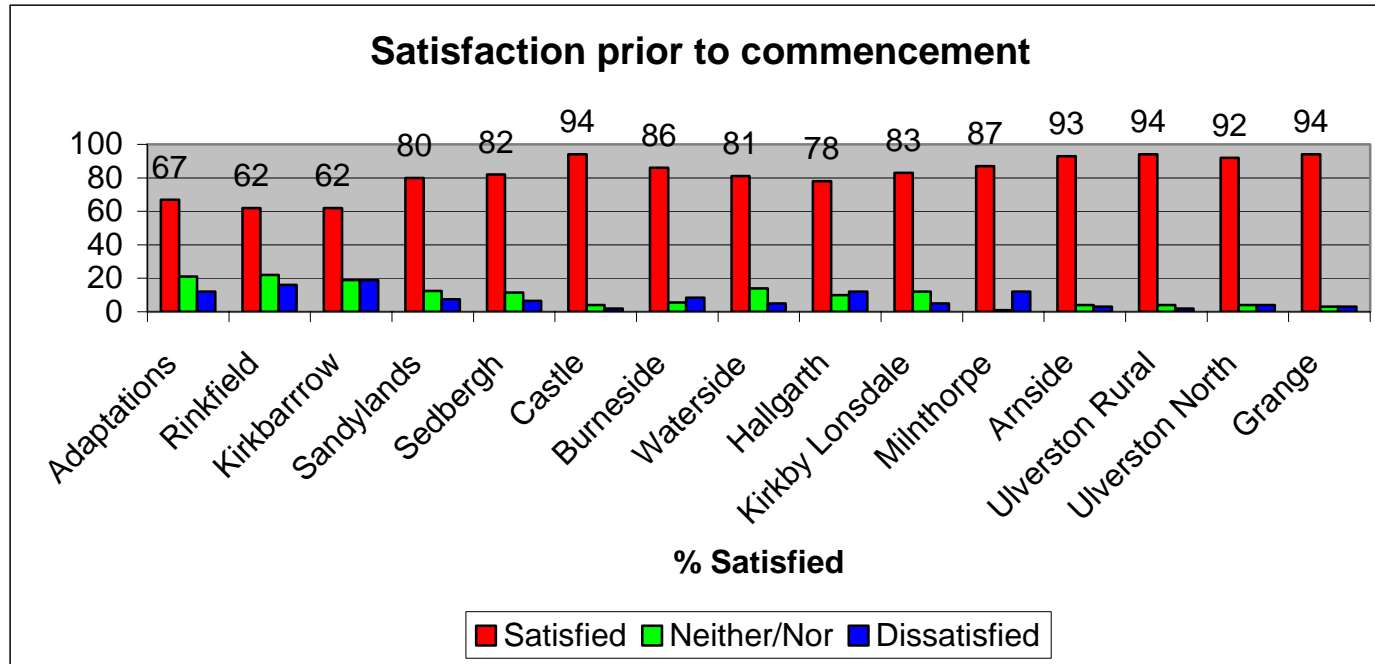
Refusal rates remain low. Waterside had an unusually high level of refusals because it includes Edgecombe Court Sheltered Scheme which is occupied by a high number of very elderly / frail tenants who were unable to cope with the work.

Contract	% of Refusals
Rinkfield	1%
Kirkbarrow	12%
Sandylands	4%
Sedbergh	11%
Castle	1%
Burneside	1%
Hallgarth	1%
Waterside	16%
Kirkby Lonsdale	4%
Milnthorpe	(Less than) 1%
Arnside	(Less than) 1%
Ulverston Rural	2%
Ulverston North	3%
Grange	1%

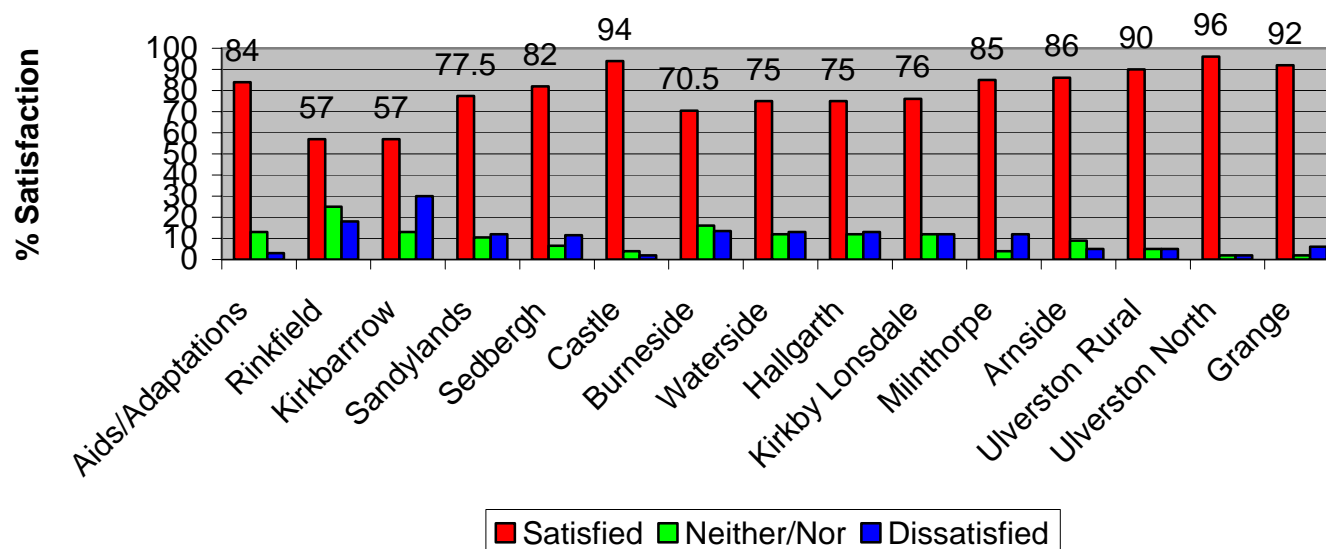
The Tenant Satisfaction Questionnaire enables performance to be measured prior to, during and after the work has been completed. Response rates for Tenant Satisfaction Questionnaires this quarter on completed contracts remain high. Where response rates remain below 50% at the end of the contract, a follow-up survey will be conducted.

The Rinkfield Pilot, Kirkbarrow, Sandylands, Sedbergh, Castle, Burneside, Kirkby Lonsdale, Hallgarth, Waterside, Milnthorpe and Arnside/Burton/Levens/Holme, Ulverston Rural and Ulverston North contracts are complete. Grange and Ulverston South contracts are underway and Lakes Rural is due to commence shortly.

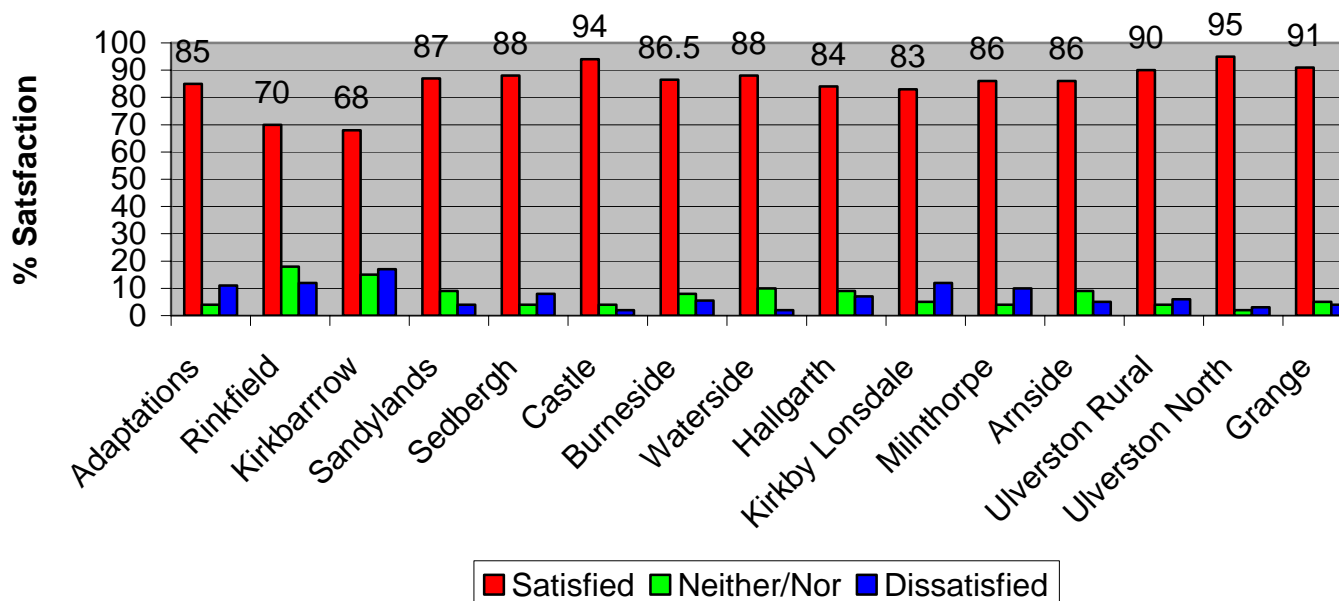
Satisfaction Results



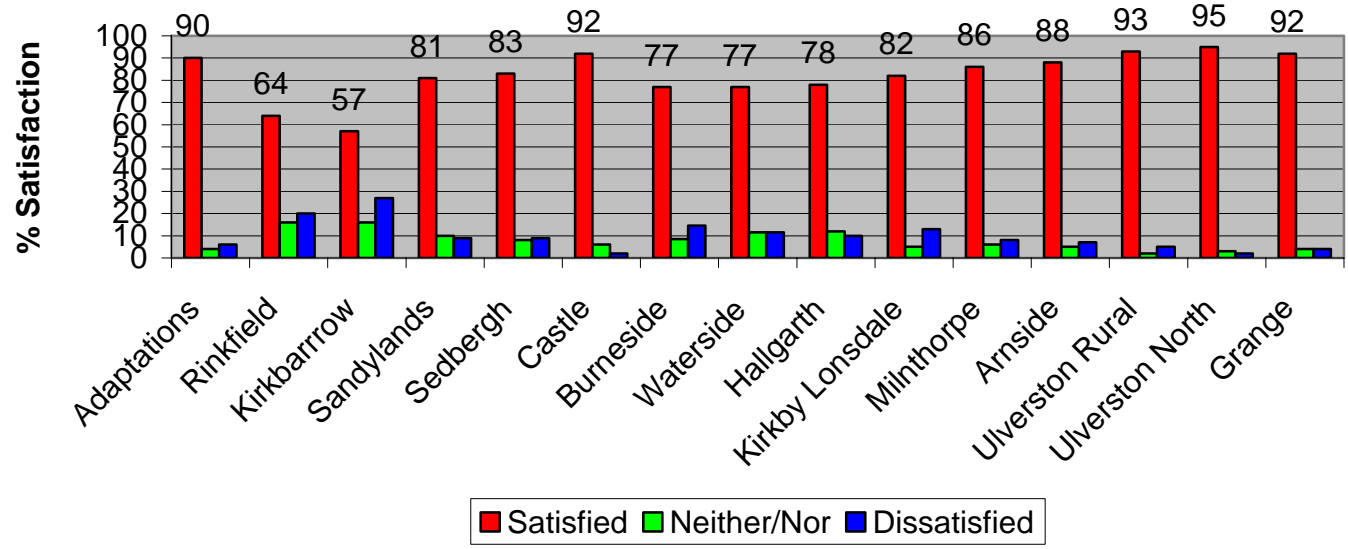
Satisfaction during the work



Satisfaction with the finished product



Overall Satisfaction



Cost Control (Updated for Q4)

Cost control in the Decent Homes Programme is achieved by creating a Budget Cost Model, based on the funding bid, and a Strategic Cost Model, based on a fully detailed assessment of the work, and taking steps to align the latter with the former as work proceeds. This process has been described in detail in earlier reports and is summarised below.

Budget Cost Model

Approved central government funding of approx. £21m was supplemented from the Council's HRA to create a working budget of £26m. Following further analysis of future housing funding the budgetary provision has recently been increased to £26.5m. The appropriate apportionment of the budget has been identified to provide a 'Benchmark Cost' for each individual area contract. The benchmarks have been combined with an allowance for other overall costs, to create a Budget Cost Model defining the build-up of all costs within the £26.5m budget.

Strategic Cost Model

A full survey of the stock has been carried out to schedule the specific work required to each property, and an estimate of the actual cost of each contract (a Forecast Cost) has been made by applying the tendered rates to these schedules. From the 'Forecast Costs' a Strategic Cost Model has been created, showing the estimated cost of the programme based on the best information available at any time. As contracts are completed, and their final costs are confirmed, any under- or over-spend is re-distributed amongst the remaining contracts (in proportion to their value); in this way the 'Benchmark' costs are updated to reflect the actual budget available at any time. In the cost report table below the original 'Benchmark' figures are used, in order to provide a constant reference point.

Implementation

Each Forecast Cost in the Strategic model can be compared with its Benchmark from the budget model. If the forecast

exceeds the benchmark for any contract, the work schedules are reviewed in more detail to identify where there is scope to reduce the work content and therefore the cost. The general scope of work within properties exceeds the minimum needed to comply with the Decent Homes Standard, and from the Strategic model it is anticipated that this position can be maintained for the remainder of the programme.

Progress to date

Fourteen area contracts are complete, three (Ulverston South, Ulverston North and Grange) are in progress; 'Coniston & Lakes Rural' is about to commence, and Windermere is due to start in late May. Work to more than half the Council's stock has now been completed. The current Strategic Programme shows twenty-one area contracts provisionally programmed to be complete by May 2009, and four other contracts:

- a boiler renewal contract is ongoing and deals with urgent installations
- disabled adaptations contract; the budget provision for implementing disabled adaptations through the DHP has now been used, and future adaptations will be implemented directly by South Lakes Housing.
- an environmental 'community investment' contract (including games areas) has begun and will largely be implemented in 2009-10.
- a contract to revisit properties where tenants initially refused work is also programmed for 2009-10.

Current Position

The current strategic cost model shows a forecast final cost of £26.59m against the £26.5m budget. Progress to date suggests that, at the end of the programme, work beyond the minimum required to meet the Decent Homes Standard will have been completed.

DHP Expenditure to date

COST HEAD	BUDGET COST MODEL £ (Benchmark Costs set Nov. 06)	STRATEGIC COST MODEL £ (Forecast Cost end 03/08)	EXPENDITURE TO DATE £ (end 03/08)
Strategic Preliminaries	1 588 816	1 519 000	1 176 000
COMPLETED CONTRACTS:	12 850 805	12 667 000	12 651 000
- Rinkfield , Kirkbarrow, Sandylands, Castle			
- Sedbergh, Burneside, Waterside,			
- Kendal Yards & Fellside, Hallgarth,			
- Kirkby Lonsdale, Kendal Rural, Milnthorpe			
- Arnside, Levens, Burton & Holme			
- Ulverston Rural, Disabled Adaptations			
CURRENT CONTRACTS:			
Boiler installations	361 529	485 000	503 000
Ulverston South	2 161 000	2 136 000	2 112 000
Ulverston North	1 383 000	941 000	857 000
Grange and rural area	1 170 000	1 066 000	755 000
Community Investment works	987 000	987 000	162 000
FUTURE CONTRACTS	4 479 321	4 562 000	0
FEES & OTHER CLIENT COSTS	1 518 529	2 205 000	1 591 050
TOTAL (total budget increased Nov 07, works benchmarks increased pro-rata)	26 500 000	26 568 000	19 807 050