

**South Lakes Housing**

**Decent Homes**

**Quarter 2—2007/8**



# The Decent Homes Programme

## Progress to date

<b>Contract</b>	<b>No. of properties completed to date</b>	<b>% handovers of total contract complete</b>	<b>% Satisfaction Questionnaire return rate to date</b>	<b>Comment</b>
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	136	74%	62%	Works complete
Waterside/Fellside	145	100%	59%	Works complete
Kirkby Lonsdale	84	100%	69%	Works complete
Milnthorpe	119	74%	40%	Works commenced 11/06/07
Arnside/Burton/Levens/Holme	73	77%	60%	Works commenced 02/07/07
Disabled Adaptations	64	-	44%	Ongoing

## Customer Satisfaction

Satisfaction in all areas of product and service is improving and this is felt to be as a result 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 will attempt 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.

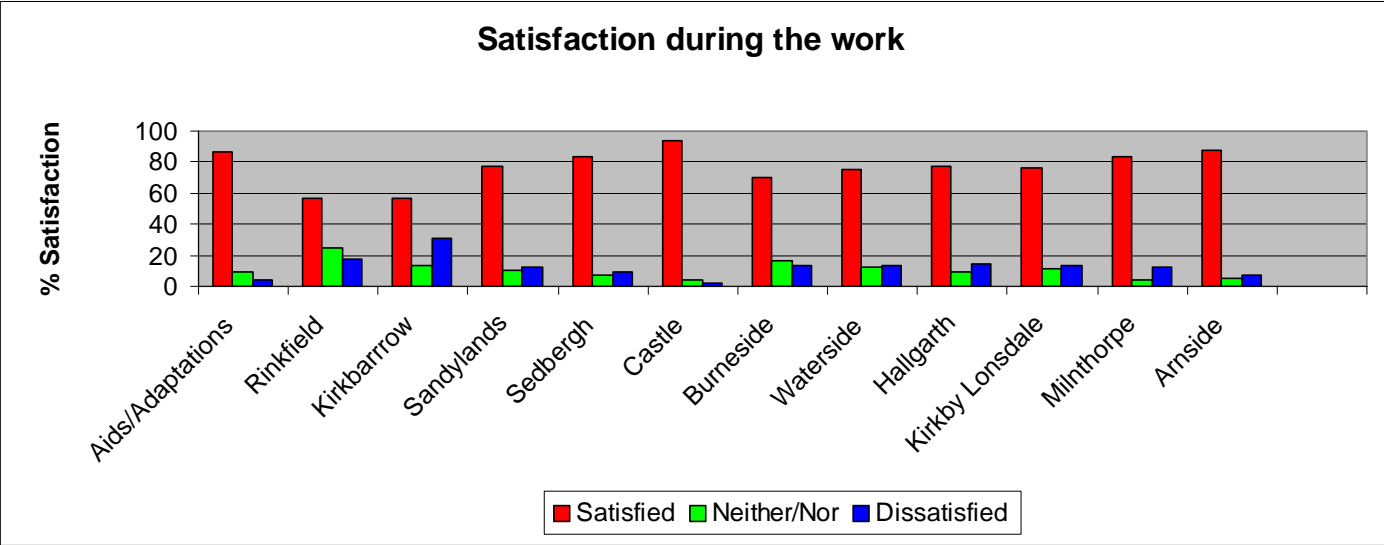
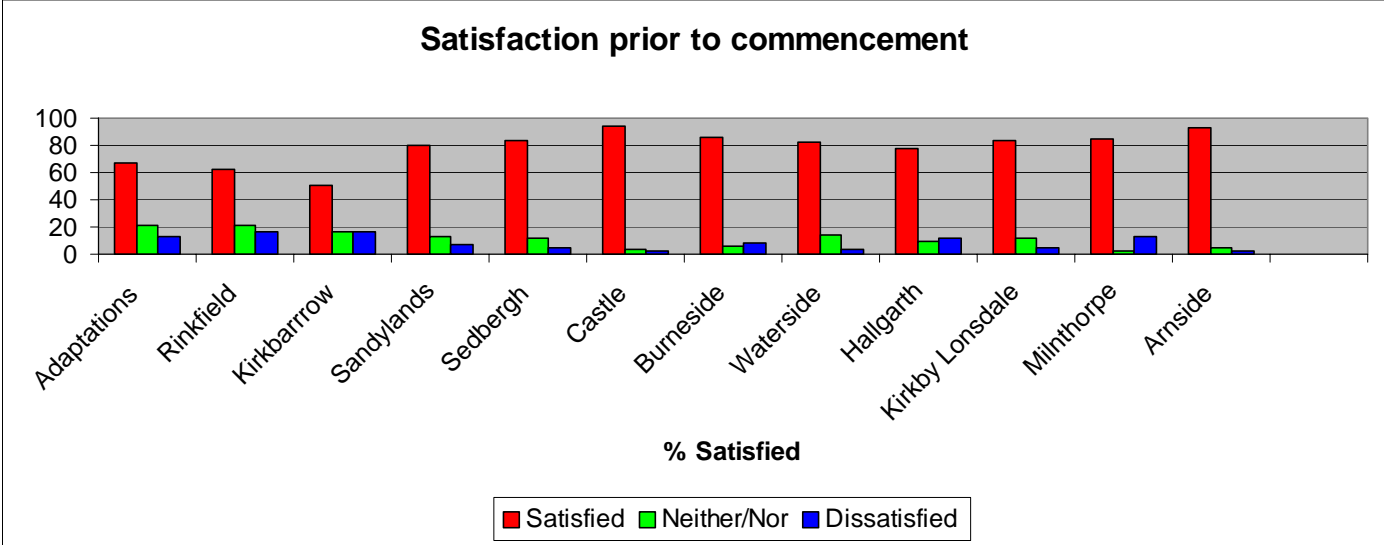
Refusal rates remain low. Waterside had a high level of refusals because it includes Edgecombe Court Sheltered Scheme which is occupied by a high number of very elderly / frail tenants who were unable to cope with the work.

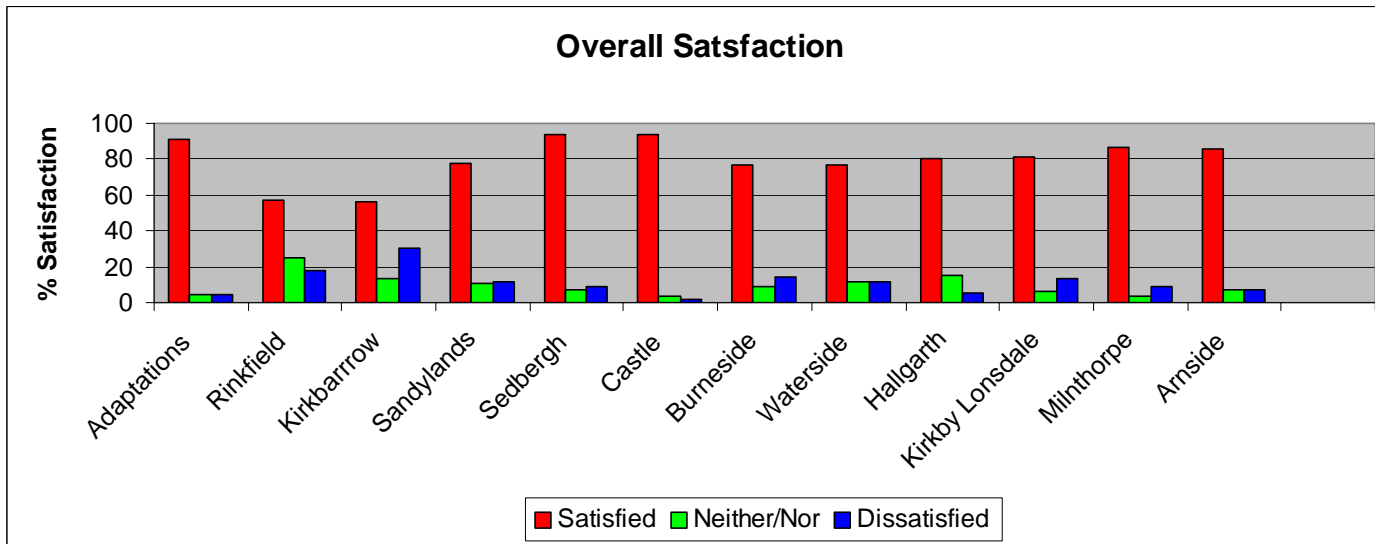
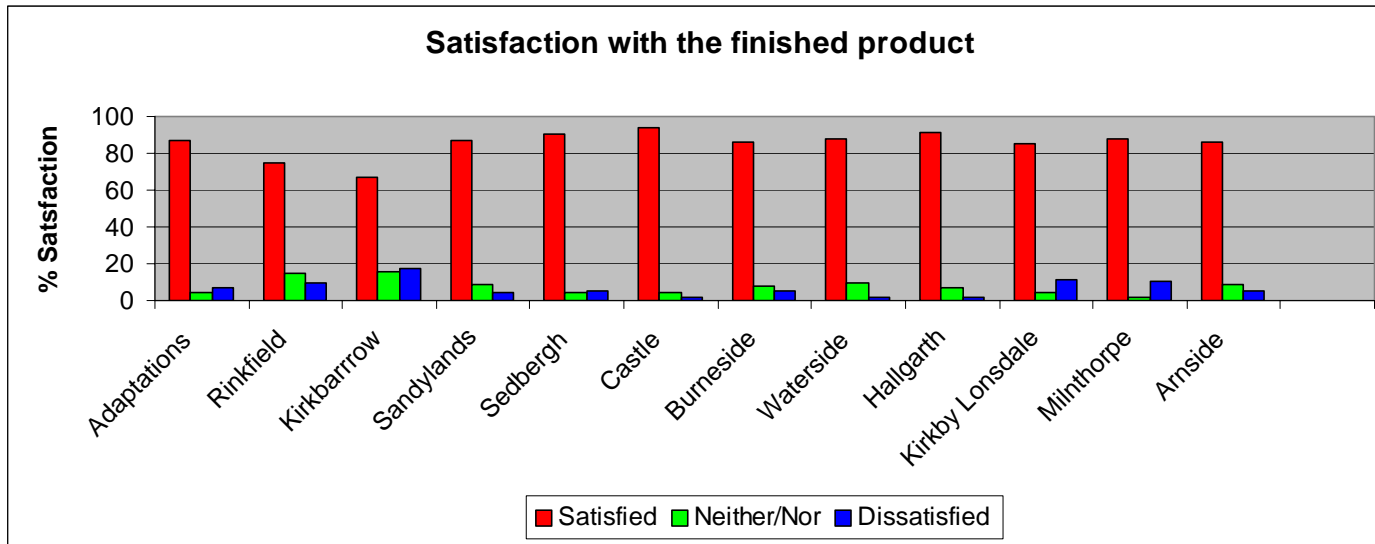
Contract	% of Refusals
Rinkfield	1%
Kirkbarrow	12%
Sandylands	4%
Sedbergh	11%
Castle	1%
Burneside	1%
Hallgarth	1%
Waterside	16%
Kirkby Lonsdale	4%
Milnthorpe	(Less than) 1%
Arnside	(Less than) 1%

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 remain high.

The Rinkfield Pilot, Kirkbarrow, Sandylands, Sedbergh, Castle, Burneside and Kirkby Lonsdale, Hallgarth, and Waterside contracts are complete. Milnthorpe and Levens, Arnside, Burton and Holme contracts are underway.

# Satisfaction Results





## Cost Control

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**

Nine area contracts are complete, three (Milnthorpe, Arnside / Levens / Burton / Holme, and Ulverston Rural ) are in progress. Ulverston North and Grange are about to commence. Work to just over half the Council's stock has now been completed. The current Strategic Programme shows twenty-one area contracts and two other contracts, implementing boiler renewal and disabled adaptations, which are provisionally programmed to be complete by April 2009. A programme of environmental projects (including games areas) will begin this year and will largely be implemented in 2009-10, and 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 £26.71m 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

<b>COST HEAD</b>	<b>BUDGET COST MODEL £ (Benchmark Cost, set Nov. 06)</b>	<b>STRATEGIC COST MODEL £ (Forecast Cost end 09/ 07)</b>	<b>EXPENDITURE TO DATE £ (end 09/07)</b>
Strategic Preliminaries	1 588 816	1 277 152	978 639
<b>COMPLETED CONTRACTS:</b>	<b>9 734 334</b>	<b>9 434 677</b>	<b>9 295 133</b>
- Rinkfield , Kirkbarrow, Sandylands, Castle			
- Sedbergh, Burneside, Waterside,			
- Kendal Yards & Fellside, Hallgarth,			
- Kirkby Lonsdale, Kendal Rural			
<b>CURRENT CONTRACTS:</b>			
Boiler installations	394 682	417 000	428 284
Milnthorpe	1 233 331	1 189 000	1 037 015
Arnside, Levens, Burton & Holme	888 618	907 000	638 513
Ulverston Rural areas	1 292 000	1 056 000	295 494
Ulverston North	1 003 000	976 000	0
Grange and rural area	1 061 000	1 031 000	0
Disabled Adaptations	350 000	350 000	333 519
<b>FUTURE CONTRACTS</b>	<b>7 435 690</b>	<b>7 657 171</b>	<b>0</b>
<b>FEES &amp; OTHER CLIENT COSTS</b>	<b>1 518 529</b>	<b>2 415 000</b>	<b>1 288 552</b>
<b>TOTAL</b>	<b>26 500 000</b>	<b>26 710 000</b>	<b>14 295 149</b>