

HOUSING MANAGEMENT AND MAINTENANCE SERVICE

Executive Summary

In 2012, New Vision Homes (NVH) was appointed to deliver the Housing Management and Maintenance Services Contract on behalf of the Council. Initially, this was for a period of 5 years, with an option to extend for a further 5 years, which was exercised in 2017. Therefore, as at 31 March 2022, the term of the Contract with NVH will end.

With the contract drawing to a close, the Council needs to agree on a preferred approach for the future delivery of these services. The recommendation is that the Council pursues a hybrid model whereby Housing Management and Asset Management Services are brought back in-house and repairs and maintenance works and services are procured through third party contractors (Option 2). This direction of travel is supported by the results of a survey and open consultation with tenants and leaseholders in August 2020, which indicated a strong preference for the Council to be more involved in the future service delivery of these housing services. The hybrid model will provide the Council with an opportunity to re-position the housing service with the aim of improving a broad range of outcomes for over 3,800 households (tenants and leaseholders). In addition, the Council would anticipate making net savings of circa £135,000 per annum, which can be directed towards service improvement and investment in the Council's housing stock.

This report seeks the authority from the Executive for Officers to undertake the required statutory consultation with tenants and leaseholders on the preferred approach. Following this, a report will be brought back to the Executive and Full Council in February 2021 for a final decision on the future of the Housing Management and Maintenance Service.

Recommendations

The Executive is requested to:

RECOMMEND TO COUNCIL That

- (i) approval be given to the preferred approach of Housing Management and Asset Management Services being brought back in-house and housing repairs and maintenance works and services being procured through third party contractors (Option 2) from 1 April 2022, subject to tenant and leaseholder consultation;
- (ii) the Director of Housing, in consultation with the Portfolio Holder for Housing, be authorised to take such decisions as may be necessary to facilitate the process of transition to a new model of Housing Management and Maintenance Service, including any decisions around procurement timing and approach;
- (iii) the Director of Housing, in consultation with the Head of Legal and Democratic Services and the Portfolio Holder for Housing, be authorised to undertake the statutory tenant and leaseholder consultation, as determined by s.105 of the Housing Act 1985 and s.20 of the Landlord and Tenant Act 1985 (as amended by s.151 of the Commonhold and Leasehold Reform Act 2002) as necessary, regarding the future of the Housing Management and Maintenance

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service post 31st March 2022; and

- (iv) **following the statutory consultation and engagement process, a report on the outcome is brought back to the Executive and Full Council in February 2021 to inform the final decision on the future of the Housing Management and Maintenance Service.**

Reasons for Decision

Reason: To determine the future delivery model for the Council's Housing Management and Maintenance Service after the end of the current contract with New Vision Homes on 31 March 2022.

The item(s) above will need to be dealt with by way of a recommendation to Council.

Background Papers: Sustainability Impact Assessment
Equality Impact Assessment

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1.0 Introduction

- 1.1 At the Council meeting held on 8 December 2011, it was resolved that a joint venture partnership led by Pinnacle Housing Ltd, in partnership with Morrison Facilities Services Ltd and Mansell Construction Services Ltd, be appointed to undertake the delivery of the Housing Management Services Contract on behalf of the Council for an initial period of 5 years with the option to extend for a further 5 years.
- 1.2 The resulting contract between Woking Borough Council and Woking Housing Partnership, trading as New Vision Homes (NVH), was completed and commenced the delivery of services on 1 April 2012 to circa. 5,000 properties. This includes:
 - 3,400 HRA homes;
 - 430 Leaseholders;
 - 750 Garages; and
 - 440 Other (temporary accommodation, private sector leases, ThamesWey).
- 1.3 NVH is comprised of three companies working in partnership. Breyer Group are the repairs and maintenance partner, TSG PLC are the gas servicing and repairs partner and Pinnacle PSG provide the housing management, statutory testing and income management services.
- 1.4 In 2017, following consultation with residents, the Council approved the exercising of the extension clause for a further 5 years, adjusting the end of the contract term to 31 March 2022. There are no further options to extend.
- 1.5 The contract has completed over 8 years of delivery, and with approximately 18 months left, it is necessary to decide the future approach to service delivery of housing management and maintenance services, on the basis that due process associated with any course of action will need to commence imminently.
- 1.6 In reaching decisions regarding the future delivery of Housing Management and Maintenance services, the Council has a statutory duty to consult affected residents.

2.0 Strategic Context

- 2.1 Work is due to begin shortly on the Council's Housing Strategy for the next 3-5 years, and this review of future options for the delivery of the Housing Management and Maintenance services provides a good opportunity to feed into this process.
- 2.2 At the core of this strategy will be objectives to achieve an increase in the supply of affordable housing whilst making the best use of the existing stock; to improve the customer journey across the service; and to enable residents to fulfil their potential.
- 2.3 Currently, the Council delivers its housing services through a combination of in-house services (allocations, housing options, housing standards, and new affordable housing delivery) and the outsourced NVH Housing Management and Maintenance Service contract. With the end of the current contract due on 31 March 2022, it is necessary to agree which configuration will most effectively deliver the authority's strategic outcomes whilst making the best use of resources, to maximise outcomes for customers.
- 2.4 The decision on the future arrangements for Housing Management and Maintenance Services will need to be guided by the following key objectives:

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- A continued focus on improving the customer journey across the Housing Service;
- Clearer accountability in decision making and consistency in policy direction;
- Ensuring value for money;
- Services informed by, and responsive to, local need;
- No or minimal duplication of front line housing services.

3.0 Current Operations

Housing Management

- 3.1 Under the current contract, housing management services are delivered by Pinnacle PSG (branded as New Vision Homes) and encompass a range of different services including:
- Block cleaning – communal areas;
 - Housing and tenancy management;
 - Management of anti-social behaviour cases;
 - Leasehold management;
 - Collection of rent and service charges; and
 - Supervision of third party Council contractors that work on housing estates and land (e.g. SERCO)
- 3.2 Delivery and effectiveness of the range of housing management services has grown and improved throughout the duration of the contract, influenced over the past few years by a more productive and stronger working relationship between the Council and NVH colleagues.
- 3.3 However, there are areas of the service that the Council believes could be delivered more effectively, most notably resident engagement/involvement and tenancy sustainment, to achieve improved outcomes for customers.

Repairs and Maintenance Services (incl. responsive, planned and compliance works)

- 3.4 Currently, all repairs and maintenance works and services are sub-contracted by NVH to a range of external suppliers with all contract end dates coinciding with 31 March 2022.
- 3.5 The largest of these sub-contracts is for the responsive repairs service, which is currently being delivered by the Breyer Group, following the termination of the PiLON contract in September 2019. Last year, there was a total of 10,500 responsive repairs carried out.
- 3.6 Planned works are tendered annually by NVH.

Performance Monitoring

- 3.7 Regular monitoring and analysis of key performance and management data demonstrates that NVH has generally achieved a good level of operational performance to date. However, whilst there have been many positive outcomes from outsourcing the housing management and maintenance service, the Council recognises that the quality and strength of its relationship with its tenants and leaseholders has been diluted, as emphasised in the recent consultation. A number of other areas for improvement have been identified through the 2020 tenant and leaseholder consultation covered below.

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3.8 In terms of the financial performance of the contract, this is assessed against the 12 schedules in the original contract, which are reviewed and monitored every month against annual budgets set (see Appendix 1 for 2020-21 agreed HRA budgets).

Annual Tenant and Leaseholder Survey 2020

3.9 As part of the contract monitoring process, the Council undertakes an annual review of the service provided by NVH and its contractors, by way of a tenant and leaseholder survey. This year, the Council wanted to use this opportunity to capture and measure tenant's and leaseholder's views in a much more engaging and valuable way. The key objective was to establish what measures of success were important to the tenants and leaseholders and how the work that the Council and NVH do can help achieve and deliver these. Therefore, the Council embraced a different approach for the 2020 consultation with a greater focus on priorities for service improvement to help shape future provision.

3.10 The consultation was undertaken in three stages:

- face-to-face interviews with representatives from NVH and the Council, including the Portfolio Holder for Housing;
- tenant and leaseholder focus groups; and
- an on-line/postal survey.

3.11 A number of key findings and themes were identified from the first two stages:

- Council as a landlord - There was a feeling that the Council had lost touch with its residents and that residents did not see the Council as its landlord.
- Lack of consistency across services – more standardisation and consistency required;
- A desire for 'getting it right first time' - repairs completed in a single visit;
- Flexibility - tailor services to residents needs e.g. appointment times and repairs priorities;
- Better integration with housing services - encourage repairs and housing staff to work more closely together to help identify other issues residents face, so that support can be provided;
- Communication - improvements to the way that residents are kept informed;
- Quality and sustainability – tenants and leaseholders recognised that keeping a high level of quality should be balanced against keeping costs down to provide value for money;

3.12 The timetable for the final stage was delayed by the Covid-19 pandemic, with the online and postal survey for all Council tenants and leaseholders going 'live' on 22 July 2020. As context, a total of 3,645 surveys were sent out, with a response rate of 19% (698 valid survey responses; 71 leaseholders, 627 tenants) which was the same as the last survey in 2018. The key headlines from the survey were:

- NVH Staff – two-thirds of respondents considered that the staff at NVH were easy to get hold of, helpful, polite and respectful;

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- Overall satisfaction – there is a decline in the percentage of people who are satisfied with the overall housing management service (69%, compared to 77% in 2018) and also the percentage of people satisfied with the repairs and maintenance service has fallen for the third consecutive survey. On a positive note, there was evidence that the change to the Breyer Group had resulted in a small increase in satisfaction levels. Also reported was an increase in the satisfaction levels for the cleaning of the internal communal areas.
- The Council's involvement – 59% of all respondents want to see the Council get more involved in the future delivery of the Housing Management Service;
- Tenant and leaseholder involvement – 165 of the respondents said they would be interested in helping the Council shape future Housing Management, Repairs and Maintenance services.
- Tenant and leaseholder key priorities for the future:
 - Repairing and maintaining homes;
 - Dealing with anti-social behaviour;
 - Greater provision of affordable housing (tenants); and
 - Value for money (leaseholders).

3.13 The results of the 2020 survey will not only feed into our plans for the wider development and improvement of our future housing services, but importantly will also serve as a conduit and first step in re-building the Council's relationship with its tenants and leaseholders, instilling a greater sense of involvement and engagement for our residents.

4.0 Future Options

- 4.1 There is no 'one size fits all' operating model for the delivery of effective housing management and maintenance services. Each of the different service models can be seen to be working successfully given the right situation in different organisations. Best practice advice is that the optimal solution is one which will best serve the needs of the organisation, its customers and its stakeholders.
- 4.2 Repairs and maintenance activity is a significant driver of customer satisfaction, being one of the core service interactions with tenants and leaseholders. It is of significant importance in protecting both the brand and reputation of the organisation. Therefore the opportunity of a re-procurement exercise should be used to drive greater efficiencies, whilst improving service outcomes for our customers.
- 4.3 The future options broadly fall on a spectrum from a fully-outsourced model to an entirely in-house service. The three main options considered are summarised below.

Option 1: Outsource Housing Management and Maintenance (Current Model)

- 4.4 As described above, the Council's approach since April 2012 has been an outsourced model with all Housing Management and Maintenance Service delivered through New Vision Homes.
- 4.5 The advantages of this model are:
 - Capitalising on the commercial delivery skills, delivery focus and performance culture of partner organisations to drive innovation and service improvement.

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- Potential economies of scale, where partner organisations can purchase services in bulk (particularly for repairs).
- Wider knowledge and expertise gained from the partner organisation's work in other areas can be drawn on to drive service improvement, as well as, offering housing staff broader career opportunities.

4.6 The disadvantages of this model are:

- Focus on meeting local outcomes and priorities can get lost.
- Rigid outsourcing contracts are inflexible to changing circumstances.
- Weakened relationship and accountability between the Council and its tenants and leaseholders.
- Council's often lack strategic control over service delivery, which can result in duplication of effort or conflicting priorities.
- An element of the Council's Housing Revenue Account budget (predominantly from tenant's rent) is inevitably spent on covering the partner organisation's profit and overheads rather than on direct service delivery.
- Outsourcing companies have also struggled in a number of instances to make their business models work in the face of diminishing margin and over-extension.

4.7 Taking this option forward would require a significant level of management input prior to embarking on a formal OJEU (Official Journal of the European Union) tender exercise.

Option 2: In-House Housing Management Services and Outsourced Maintenance Services (Hybrid Model)

4.8 With Option 2, the housing management and asset management elements of the service would be brought back in-house and would become the responsibility of the Council to deliver. The various aspects of the maintenance and repairs services would be delivered by external providers with the contract directly managed by the Council.

4.9 The advantages of this model are:

- Greater alignment between service delivery and the strategic ambition that the Council, tenants and communities have for their homes and neighbourhoods at a local level.
- The flexibility to develop and mould services to changing circumstances without the need to negotiate contractual changes with external providers.
- An opportunity to strengthen the relationship and accountability between the Council and its tenants and leaseholders, with greater involvement and engagement in future service delivery.
- The transition from the current outsourced model will be manageable, minimising the disruption to service delivery.
- Cost savings are expected to be achieved through bringing Housing Management and Asset Management services back in-house, which can be directed towards service improvement and investment in our housing stock.

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- The Council still benefits from the technical expertise and skills of specialist repairs contractors, with direct control over their performance.

4.10 The disadvantages of this model are:

- Loss of the wider knowledge and expertise from the existing New Vision Homes partnership, although individual staff members are likely to transfer to the Council under TUPE arrangements, dependent upon the proportion of their work that is specifically providing services under the Woking contract.
- Potential loss of key staff who want to continue to work for a larger housing organisation.
- The need to establish new structures within the Council to deliver the services.

4.11 This option would require a procurement programme to identify and appoint new repairs contractors. This would take approximately 12 months from the point of decision, unless an OJEU compliant framework is used. There may also be opportunities to jointly procure elements of the housing repairs and maintenance works and services with other Surrey local authorities.

4.12 Specialist external consultancy support will be required to support the repairs procurement, due to the technical expertise for this area all currently sitting within New Vision Homes.

Option 3: Housing Management and Maintenance Services all brought back into the Council (In-House Model)

4.13 With the in-house model (Option 3), the Council not only owns the housing stock but manages and delivers all housing management, repairs and maintenance services. There would be no client-contractor split of responsibilities. The Council, as the landlord, would directly employ the maintenance and repairs workforce (or at least the majority of it) in a Direct Labour Organisation (DLO).

4.14 The advantages of this model are:

- Full local control, accountability and strategic alignment of housing services.
- The model is more easily understood by tenants, leaseholders and partners (i.e. the Council is responsible for all housing services).
- An opportunity to strengthen the relationship and accountability between the Council and its tenants and leaseholders, with greater involvement and engagement in future service delivery across the full service.
- Potential for greater cost savings over time once model becomes established as there is no requirement for profit.

4.15 The disadvantages of this model are:

- Considerable risks due to the extent of the change from the current model. The Council no longer has in-house expertise in terms of delivering housing repairs, so the disruption to services could be significant.
- Loss of the wider knowledge and expertise from all housing partners.

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- Potential loss of key staff who want to continue to work for larger housing organisations. The Council may struggle to fill key repairs posts given its lack of recent track record.
- Significant costs and resources would be required to establish a DLO.
- As the Council has a relatively small housing stock, and DLO formed would be small and may lack resilience (i.e. staff sickness, large scale disruption, such as, Covid-19).

4.16 Although this option may have merit in the future, the risks are considered too high at the current time. The transition to a fully operational in-house service, including the creation of a DLO, would be a significant transformation project and require substantial planning work. Taking this into account and considering the limited timescales available, this option is deemed to be unfeasible in the short to medium term, but could be considered again in the future.

5.0 Preferred Approach

- 5.1 In deciding the best way forward for providing housing services in Woking, the operational challenges and local housing needs that any delivery model or vehicle will face, must guide the selection of the chosen approach.
- 5.2 Woking, in common with every other local authority and social housing provider, is moving forward through a challenging operating environment that is subject to a fundamental reshaping driven by changes in Government policy and market forces. The anticipated Social Housing White Paper will drive further changes, particularly in relation to resident engagement, regulation, consumer standards, and risk management.
- 5.3 Considering all of the options contained in this report, the recommendation is that the Council pursues a hybrid model whereby Housing Management and Asset Management Services are brought back in-house and housing repairs and maintenance works and services are procured through third party contractors (Option 2). This will provide the Council with an opportunity to re-position the housing service with the aim of improving a broad range of outcomes for over 3,800 households (tenants and leaseholders).
- 5.4 There are expected savings associated with Option 2 by returning Housing Management and Asset Management Services in-house. The savings will be achieved from profit and overheads currently payable under the NVH contract, although these savings will be partly offset by loss of commercial rental income (for NVH office space) and an expected increase in repairs/maintenance costs. Nevertheless, a net annual saving of circa. £135,000 per annum is considered achievable, which can be directed towards service improvement and investment in our housing stock.
- 5.5 The Director of Housing, supported by a Project Delivery team, will oversee and plan for a smooth period of transition and in the longer term, a more fundamental transformation of the service, if the Council decides to formally adopt this preferred option.

6.0 Consultancy Support

- 6.1 As outlined in 4.13 and to enable the Council to pursue the outsourcing of the repairs/maintenance service, the Council will need to instruct and engage an external expert consultant to oversee the procurement process.
- 6.2 Initial quotes have been received from 5 established consultants in this field. The quotes vary according to the level and type of support and work required.

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- 6.3 The Council has already budgeted £80,000 for 2020/21 for consultancy services. There is sufficient budget remaining to cover the first stages of this exercise. However, it is likely that a further £80,000 consultancy budget will be needed again in 2021/22.

7.0 Stakeholder Engagement

- 7.1 The Council has a statutory duty to consult tenants on its preferred approach before it makes its final decision, as it constitutes a change to housing management services.

Tenants

- 7.2 Section 105 (s.105) of the Housing Act 1985 provides that:

(1) *A landlord authority shall maintain such arrangements as it considers appropriate to enable those of its secure tenants who are likely to be substantially affected by a matter of housing management to which this section applies:-*

(a) to be informed of the authority's proposals in respect of the matter, and

(b) to make their views known to the authority within a specified period;

and the authority shall, before making any decision on the matter, consider any representations made to it in accordance with those arrangements.

- 7.3 The period of time given for this consultation should be proportionate and reflect the nature and impact of the proposal. Therefore, and based on wider research from other local authority s.105 consultations, the recommendation is for a 6 week consultation period, commencing during November 2020. Within this period, leaseholders, external partners and stakeholders will also be consulted on the proposals.

- 7.4 Whilst undertaking the consultation, officers will have regard to ensuring that the form of consultation is accessible and understandable by tenants and leaseholders, using a range of approaches.

Leaseholders

- 7.5 In accordance with Section 20 (s.20) of the Landlord and Tenant Act 1985 (as amended by s.151 of the Commonhold and Leasehold Reform Act 2002) the Council must consult with residents who are required under the terms of their leases/tenancy agreements to contribute (by payment or variable service charges) to costs incurred under a 'Qualifying Long-Term Agreement'.

- 7.6 It is likely that leaseholders will need to be consulted under s.20 on some elements of the proposed procurement activity for housing repairs and maintenance works and services at the appropriate time.

- 7.7 Although the main purpose of the consultation process is to gather leaseholders' views on the landlord's proposals, it also limits the landlord's ability to recover their costs if they do not follow the correct procedure.

8.0 Proposed Implementation and Timetable

- 8.1 If the hybrid model (Option 2) is agreed (subject to consultation), then it is anticipated that 3 parallel work streams would need to be established. These would be led by the Council, involving NVH colleagues where appropriate. The work streams would focus on stakeholder engagement, business transition and repairs procurement.

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- 8.2 Officers will establish a project board to coordinate the overall Housing Management and Maintenance Service project and work streams identified above. It is anticipated that the board will oversee the legal, financial, human resources and IT work necessary to transition to a new service delivery model.
- 8.3 A Communications Strategy will be of critical importance. The project board will have the responsibility for overseeing the communications necessary with tenants, leaseholders, staff, Councillors and other stakeholders.
- 8.4 It will be necessary to consider how effective resident engagement will be addressed, and support for existing local tenant and leaseholder representative groups will need to continue. As part of the wider housing service review, opportunities for tenants and leaseholders to help shape future service delivery arrangements need to be explored and wider opportunities to be involved, considered.
- 8.5 New Vision Homes' staff have already been informally briefed on the proposals contained in this report, as have the Resident Operations Board of involved tenants. Formal engagement activity will commence in November 2020 with the statutory resident consultation programme. The mechanisms used will need to comply with national and local guidance due to the Covid-19 virus at that time.
- 8.6 This report seeks the authority from the Executive and Council for Officers to undertake the required statutory consultation as determined by s.105 Housing Act 1985. It is intended that the outcome of the consultation will be reported to both Executive and Council meetings in February 2021, so that the delivery model can receive final sign-off.
- 8.7 Notice will then be served on NVH by 1 April 2021, giving the required 12 months' notice period. 2021/22 will be a transitional year with the establishment of a new, fully operational, in-house service with additional, associated repairs and maintenance contracts in place by 1 April 2022.
- 8.8 The transition process will give rise to the need for decisions on a number of further key issues which include:
 - Following the correct legal process to serve notice to NVH;
 - Ensuring that we focus on maintaining continuity of all services for our tenants and leaseholders throughout the transition period;
 - Arrangements for leadership and management of the housing service (both strategic and housing management) through the transition and beyond;
 - The transfer/recruitment of staff;
 - The establishment/continuation of tenant and leaseholder engagement opportunities as quickly as possible to sustain resident involvement in key housing management issues;
 - The possibility of using external consultants to manage and undertake a procurement process for new repairs and maintenance contracts;
 - Procurement arrangements for repairs and maintenance services, including whether to pursue joint procurement with any neighbouring councils.
- 8.9 This report seeks delegated authority for the Director of Housing, in consultation with the Portfolio Holder for Housing, to be authorised to take such decisions as may be necessary to facilitate the process of transition to the new model of Housing Management and Maintenance Service, including any decisions around procurement and approach.

9.0 Implications

Legal

- 9.1 In the event that Full Council approves the hybrid model (Options 2), there will need to be due diligence conducted on the commercial activities that NVH are engaged in, to ensure any contractual obligations are accounted for and correct notices are served.
- 9.2 Any OJEU procurement process will need to be carried out in accordance with the regulations and guidelines.

Financial

- 9.3 Option 2 would mean some relatively low initial transition costs, aside from those relating to a repairs contract procurement process, that would be balanced out by potential cost savings through eliminating duplication and profit/overheads.
- 9.4 Should approval be given, there will be a nominal amount of financial resources required to enable engagement with tenants and leaseholders and to secure specialist procurement support. It is anticipated that costs of employee resource will be absorbed within the current Housing Service budgets.
- 9.5 There are expected savings associated with Option 2 by returning Housing Management Services in-house. The savings will be achieved from profit and overheads currently payable under the NVH contract, although these savings will be partly offset by loss of commercial rental income (for NVH office space) and an expected increase in repairs/maintenance costs. Nevertheless, a net annual saving of circa. £135,000 per annum is considered achievable.

Human Resource/Training and Development

- 9.6 Prior to the transfer careful change management planning will be needed to make sure that all Council and NVH staff are well informed and supported both initially on transfer but throughout the following transition period.
- 9.7 TUPE is likely to apply.

Community Safety

- 9.8 None arising from this report.

Risk Management

- 9.9 An in-house Housing Management and Asset Management service offers the opportunity of merging the capacity and capabilities of both organisations and so strengthening the opportunities for deploying resources to improve outcomes for Woking residents. It is recognised that this approach may also result in the loss of some key employees with related knowledge, skills and experience, which will need to be mitigated and managed.
- 9.10 The Project Board will oversee risk management for the project.

Sustainability

- 9.11 None arising from this report. See separate 'sustainability assessment'.

Equalities

- 9.12 None arising from this report. See separate 'equality impact assessment'.

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Safeguarding

9.13 None arising from this report.

REPORT ENDS

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Appendix 1

Appendix 1

HOUSING REVENUE ACCOUNT

	ORIGINAL ESTIMATE 2019/20 £	ORIGINAL ESTIMATE 2020/21 £
<u>EXPENDITURE</u>		
SUPERVISION & MANAGEMENT		
Estate Management	5,175,701	5,101,038
Rent Accounting/Collection	-41,265	-41,265
Home Support Service	940,415	749,944
Tenant Participation	12,499	12,598
Repairs Admin	54,666	58,387
Democratic Process	941,689	1,531,741
	7,083,705	7,413,443
DEPRECIATION	3,932,544	3,892,998
MAINTENANCE		
Day to Day Repairs	706,198	462,362
Revenue Voids	427,425	688,131
Planned Maintenance	1,153,142	2,286,785
	1,111,102	2,261,595
Subsidy Limitation	0	0
Debt Management Expenses	36,000	36,000
TOTAL EXPENDITURE	13,339,014	13,603,936
<u>INCOME</u>		
GROSS RENTS & SERVICE CHARGES	19,016,275	18,599,315
Balance Adj	-600	0
53 Week Rent Year	339,219	0
INTEREST COUNCIL HOUSE MORTGAGES	1,149	1,149
TOTAL INCOME	19,356,043	18,600,465
NET (COST)/SURPLUS OF SERVICES	6,017,029	4,996,529
Interest Payable and Similar Charges	5,147,975	5,237,927
Amortisation of Premiums and Discounts	29,817	29,817
Revenue Contribution to Capital Outlay	732,000	0
Surplus (Deficit) for Year	107,237	-271,215
<u>WORKING BALANCE STATEMENT</u>		
Surplus (Deficit) brought forward	501,086	503,039
Surplus (Deficit) for Year	107,237	-271,215
Interest on Working Balances	518	198
Surplus (Deficit) carried forward	608,839	232,822
TRANSFER TO (FROM) RESERVES (HIP Reserve)	105,000	-103,000
Surplus (Deficit) carried forward	503,839	335,822
No. of Dwellings @ 31 March	3,367	3,353
WORKING BALANCE PER PROPERTY	150	100