



**Report to Board of Directors
17 September 2015**

Title: Housing Management – Properties owned by KHL

Report of: Keelman Homes Development & Investment Manager

Purpose of Report

1. To update the Board on the current position of management of Keelman Homes own property stock.
2. To seek approval from the Board for a set of performance indicators for Keelman Homes own property stock.
3. To propose the format for updating the Board on it's housing management business streams going forward.

Background

4. Keelman Homes currently owns 116 properties, plus has part ownership of 13 properties under shared ownership. There are a further 6 properties held for sale at The Lonnen.
5. To date, no performance indicators have been measured or reported on for Keelman Homes own property stock.
6. At its meeting on the 2 July 2015, the Board requested the provision of performance information for Keelman Homes properties.

Property Stock

7. The property stock owned by Keelman Homes totals 135 properties, of which 6 at The Lonnen development were built for sale and a capital income is expected from these properties during 2015/16. A separate report on The Lonnen provides a current position on sales progress.
8. A list of these properties is attached as Appendix 1, which shows the expected income to Keelman Homes of £560,636.44 in 2015/16 from these assets.
9. Keelman Homes continues to buy housing management services from The Gateshead Housing Company (TGHC), for the day to day management of it's own property stock and those properties it manages on behalf of others. The management agreement between Keelman Homes and TGHC expires in December 2015 and a new agreement will need to be in put place thereafter. A report on this will be presented to the Board in November 2015.

Performance Reporting

10. Performance measures are collected by The Gateshead Housing Company (TGHC) for the Council's housing stock. These are also collected by TGHC for the properties Keelman Homes manages on behalf of others, in line with the management agreements currently in place.
11. The key indicators proposed to be reported are attached as Appendix 2 and are in line with TGHC performance data collection processes. Consultation has been carried out with TGHC service managers and officers involved in the collection and reporting of data, to ensure that the indicators proposed are able to be reported on separately for Keelman Homes own property stock.
12. It is proposed that performance reports will be presented to the Board for Keelman Homes own property stock on a bi-annual basis; up to and including Q2 (April to September), and up to and including Q4 (October to March).
13. An initial collection of data will be carried out at the end of Q2 and presented to the Board at its November 2015 meeting. This will be used to test the processes involved in reporting the proposed indicators and ensure any issues are resolved.

Housing Management Report Format

14. It is proposed that the housing management business function is continued to be split into two reports going forward, one being Keelman Homes capital asset and the other being Keelman Homes fee based income received for managing properties owned by others. This will ensure the important differences between the two income streams are highlighted.
15. It is also proposed that performance reporting is included in each of the housing management reports, rather than a separate report dedicated only to performance reporting, which will ensure that performance is shown in context e.g. should a proportion of rent not be collected on properties owned by others, Keelman Homes would still receive the yearly management fee, but should a proportion of rent not be collected on Keelman Homes own property stock this would result in a deficit of expected income.
16. It should be noted that TGHC's performance processes have been under review and a new system will be used to collect data in Q3 (October to December) and in the future. This will mean that the performance report formats will differ in the future from those currently produced.
17. It is proposed that housing management reports will be presented on a bi-annual basis, to align with performance reporting. Should any information need to be shared or approvals need to be sought outside of these times, an additional report will be presented to the Board as and when necessary.

Impact on tenants

18. Performance of TGHC has an impact on the quality of services Keelman Homes provides to customers.

Risk Management Implications

19. Performance monitoring is an element of control to ensure that the strategic risks of failure to focus on the customer and maintaining a positive reputation are effectively controlled.

Financial Implications

3. Failure to properly monitor performance may lead to reduced income generated from Keelman Homes assets. Recommendations presented within this report aim to reduce this risk.

Equality and Diversity Implications

20. There are no equality and diversity implications arising from this report.

Health implications

21. Monitoring the performance indicators in relation to ensuring that homes are let quickly will have a positive impact on the health and wellbeing of the tenants on the waiting list for a home. Other indicators may have an indirect positive impact on the health and wellbeing of Gateshead residents.

Value for Money Implications

22. Regular performance monitoring and control will ensure efficiencies are maximised and then utilised in the most appropriate manner.

Environmental Implications

23. The energy efficiency indicator will have a positive impact on the wider environment. By ensuring that our houses are operating efficiently, we will be helping to ensure that we reduce Keelman Homes' impact on the environment.

Consultation Carried Out

24. Consultation has been carried out with TGHC service managers and those staff members involved in the collection and reporting of performance.

Recommendations

25. The Board is asked to
 - (i) note the current position of the management of Keelman Homes own property stock;
 - (ii) approve the proposed set of key performance indicators for Keelman Homes own property stock and the timescales for reporting;
 - (iii) agree the format for updating the Board on it's housing management business streams going forward.

Keelman Homes Housing Management - property stock owned by Keelman Homes Limited

	No. of units	Budget rents 2015/16
1 Kibblesworth	81	350,800.36
2 Kibblesworth (Shared Ownership)	13	36,545.29
3 Dunn Court	6	26,014.96
4 Nugent Row	6	32,374.26
5 Strathmore Road	2	12,754.56
6 81 Hertford	1	4,123.44
7 17 Keats Walk	1	4,034.69
8 73 Marian Court	1	4,034.69
9 124 Knightside Gardens	1	4,034.69
10 16a Brearley Way	1	4,034.69
11 31 Glynfellis	1	5,395.71
12 7 Malory Place	1	4,869.05
13 The Lonnen	14	71,620.04
14 The Lonnen (Held for Sale)	6	0
	135	£560,636.44

Housing Management – properties owned by Keelman Homes Limited

Proposed Key Performance Indicators:

1. Home Repairs

- % of emergency, urgent and routine repairs completed within their timescale

2. Cyclical Maintenance

- % of relevant properties that have had a gas service in the last 12 months (valid certificate)

3. Lettings and Voids

- Rent lost though homes being empty (also to include average number of days and number of voids comments)

4. Rent Payments and Advice

- % of rent collected
- Rent arrears of current tenants as a % of rent roll

5. Customer Services

- % of complaints dealt with within 10 working days

6. Managing Tenancies

- The number of ASB complaints reported

7. Bi-annual survey

- % of surveys returned
- % of satisfied customers

8. Energy efficiency

- % of properties with SAP rating