

INTERNAL AUDIT FOLLOW UP FORM – HOUSING CAPITAL REPAIR PROGRAMME

AUDIT	Lorraine Sarson	DATE	27 th March 2014	
REPORT DATED	28 th October 2013	PAGE	Page 1 of 7	
<p>The following combined management response was received from the Head of Housing Property to the Housing Capital Programme Audit recommendations:</p> <p>Improved links with DHS works to be established with One Swindon and Corporate Strategy in line with available resources. Housing Strategy to identify strategic priorities for surplus funding to deliver non-core works and regeneration. The tender timeline is to be reviewed following the SCS integration and a procurement strategy is to be developed with the option to include framework agreements to improve value for money and focus for delivery.</p>				
NO	RECOMMENDATIONS	RESPONSIBLE OFFICER	Status (1,2,3,4,5)	COMMENTS/ACTIONS BY DEPARTMENT
1	Risk: Alignment with One Swindon priorities, Corporate Strategy and future Housing Strategy			
1.1	The Council's Housing Strategy should recognise the role that improvements to social housing make to achieving its priorities, reflecting the priorities in the draft Health and Wellbeing Strategy.	Head of Housing Services	3	Following a Council wide restructure the Housing Strategy will be presented to Cabinet in July 2014.

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1	Risk: Alignment with One Swindon priorities, Corporate Strategy and future Housing Strategy			
1.2	The capital programme for housing repairs should also highlight the contribution that it makes to wider priorities within the Council and its partners, and should use it as a possible means of obtaining additional funding and as a determinant in allocating funding between projects within the programme.	Head of Housing Property	2	<p>Capital Repairs and Improvement Programme supports One Swindon Objective: Living independently, protected from harm, leading healthy lives and making a positive contribution.</p> <p><u>HRA Business Plan linked to One Swindon Objectives:</u></p> <ul style="list-style-type: none"> • The community is more involved in caring for their environment - new Environmental Improvement Programme, which allows residents to be involved with training and volunteering opportunities. • The availability of jobs/ quality of job opportunities in Swindon improves – increase awareness for local contractors and suppliers on tendering opportunities for HRA repairs and improvement works through a ‘South West’ web based portal. Swindon is a business friendly environment for existing and new businesses – hold local contractor and supplier workshops to advise on programmes of work and proposed specifications with the aim to provide innovation, partnering arrangements, reduce risks and enhance relationships. • Housing , development , and transport support sustainable environments to support communities’ health & wellbeing – to provide homes that are affordable to heat by bringing the SAP rating for all homes up to a minimum standard, maintaining homes to the Decent Homes Standard, ensuring it is a safe and healthy environment to live in, undertaking structural appraisal of our non-traditional housing stock to assess its long-term viability and develop a repairs programme for different types of construction and commence an extensive structural repairs and thermal improvement programme of work and access Energy Company Obligation (ECO) grant funding from utilities. Review and benchmark results from STATUS survey – includes tenant satisfaction with repairs service. • Improve the quality of the environment of some our most deprived neighbourhood centres – The Circle and Sussex Square. • The programmes of work are currently prioritised to ensure that homes are safe to live in and maintained to meet the Government’s Decent Homes Standard to ensure compliance with the Homes and Communities Agency (HCA) regulatory framework for social housing in England. • Future programmes of work will be aligned to the Council’s wider priorities in line the Housing Strategy.

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1	Risk: Alignment with One Swindon priorities, Corporate Strategy and future Housing Strategy			
1.3	In recognising the interaction resulting from 'self-financing' between rent levels, repayment of debt, and future investment, the updated Housing Strategy should address the wider effects of investment in reducing fuel poverty, reducing crime, local employment, and health and wellbeing. In particular, it should highlight the contribution that these factors make to the priorities in the Health and Wellbeing Strategy, the Corporate Strategy, and One Swindon. As an example of good practice evaluate the principle set out the Nottingham City Homes – Health and Wellbeing outcomes from the Secure Warm Modern improvement programme (see Appendix B).	Head of Housing Services	3	The Draft Housing Strategy is on track to be reported to Cabinet in July 2014 alongside the Health and Well Being Strategy.

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2	Risk: Delivery of the capital programme			
2.1	Housing Services should seek assurance from the Contract Manager at SCS, responsible for the Housing Capital Programme, that there is a robust performance and quality assurance process in place and operating for reporting, monitoring and managing delivery. Any emerging issues/risks that may arise from performance below contract requirements should be discussed and resolved through regular client/contractor meetings. These should be recorded in an issues log/risk register including an action plan which is subject to regular review to ensure actions are implemented satisfactorily.	Head of Housing Property	2	<p>Weekly monitoring meetings have been taking place since the re-integration of SCS to identify issues or blockages for delivery of programmes of work.</p> <p>Number of homes benefiting from Decent Homes improvement work monitored on a quarterly basis through Local Performance Action Review (LPAR) meetings.</p> <p>On target for delivery of Decent Homes programme of work.</p> <p>New control measures to be put in place as part of the new Property Maintenance Restructure.</p>
2.2	In evaluating tenders for capital works projects, it should be ensured that all known items and management fees are included in costing so as to minimise the possible levels of subsequent variations and identify any tenders that have been reduced in value by excluding items likely to be required at a later stage.	Head of Housing Property	1	<p>Tenders include separate costs for management fee.</p> <p>Management fee not required on Housing Capital Repairs and Improvement Programme for 2014/15.</p>

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2	Risk: Delivery of the capital programme			
2.3	Evaluate trialling a three month pilot project with the Contact Centre to help mitigate the cost of reactive repairs by bringing forward or reprioritising planned repairs. As part of the pilot provide a detailed copy of the 2013/14 Capital Programme of works to the Contact Centre so that staff can refer more significant reactive jobs to Housing Services for consideration of delivery under a relevant Capital Programme contract.	Head of Housing Property	2	<p>Reprioritising of works taking place, for example, roof renewal works brought forward to reduce repairs.</p> <p>Tenants involved with programming of work – properties benefiting from improvement work are to be highlighted on IBS Open Housing system during start of new financial year, 2014/15.</p> <p>Stronger relationships being developed with Contact Centre and Capital Contract/Delivery teams.</p>
2.4	Housing Services should ensure that the timeliness of repairs are delivered in accordance with targets set out in the tenants handbook. To support this pilot, Housing Services should provide guidance and ensure that any queries are resolved on a timely basis by dedicated officers.	Head of Housing Property	2	<p>All repair work allocated a priority in accordance with our service standards.</p> <p>Monitoring undertaken to assess performance - currently attend 96% of emergency repairs within 2 hours, 83% of urgent repairs within 1 working day and 84.2% for routine repairs.</p> <p>Business Process Re-engineering process being carried out as part of the SCS integration for day to day repairs.</p>

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2	Risk: Delivery of the capital programme			
2.5	Review the value of the pilot project after three months to see if there is benefit in continuing the arrangement.	Head of Housing Property	2	New re-structure to help with planning of works. Aim to focus effort on reducing external works, where homes on external planned maintenance.
2.6	Completed capital programme repair jobs should be mapped to relevant properties on the Open Housing data base and used to effectively monitor achievement of the Decent Homes Standard.	Head of Housing Property	1	IBS Open Housing system implemented for monitoring compliance for Decent Homes Standard Contracts being set up so that components are updated from programmes of work
3	Risk: Value for money			
3.1	<p>A procurement strategy should be developed within the Council for property-related services that reflects:</p> <ul style="list-style-type: none"> • Forthcoming tendering of the current SCS 'basket of works' • Re-tendering of the roofing contract, currently with Apollo Group • Resourcing of projects within future capital programmes that does not hold back works because of lengthy procurement cycles. <p>With the latter in mind, tendering for a range of trades and professions within a framework agreement should be considered.</p>	Head of Housing Property	2	<p>3-year investment programme reported to Housing Advisory Forum (HAF) on 12th March 2014.</p> <p>Budget Management report to Cabinet 19th March 2014 set out the proposal to extend existing contracts, where this is an option let new short term contracts to ensure delivery of HRA works.</p> <p>Tenants and Council Members of HAF to be invited to Asset Management Working Group meetings to develop long-term procurement strategy.</p>

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3	Risk: Value for money			
3.2	<p>Housing Services and Property Services should benchmark with others, exchange of best practice, and being able to demonstrate value for money. Options are:</p> <ul style="list-style-type: none"> • Voluntary adoption of the Value for Money standard within the HCA economic regulation framework (this would still require benchmarking with other housing providers including any local authorities who have also voluntarily adopted the standard). • Formation of a benchmarking club with other local authorities and housing providers • Payment for benchmarking through HQN, Housemark, or other consultancies. 	Head of Housing Property	3	<ul style="list-style-type: none"> • Benchmarking to be carried out to aid assessment of strategy to procure significant programmes of work. • Post contract evaluations to be carried out to assess whether vfm obtained for Decent Homes programmes of work.

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