

The Maintenance and repairs service at New Forest District Council

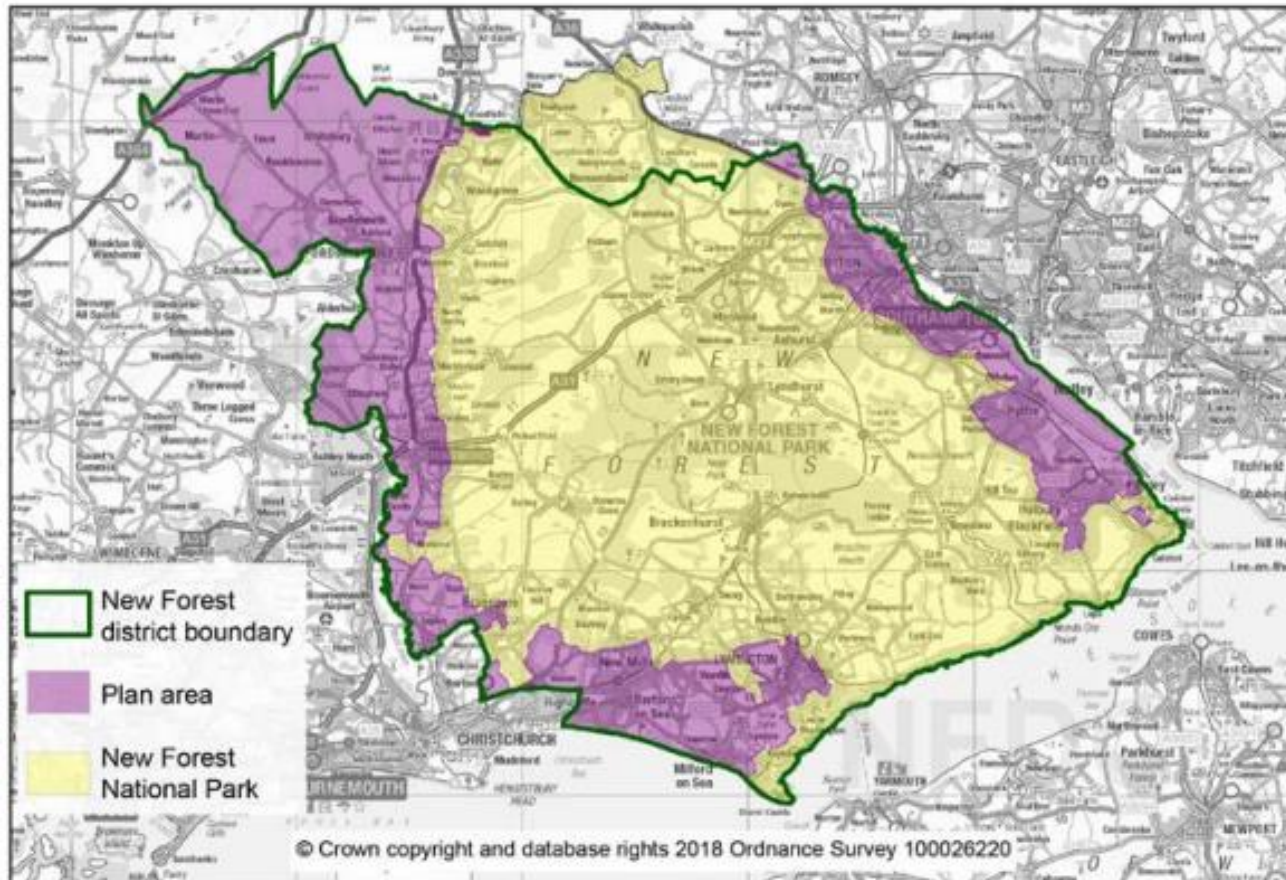
20/02/24

Richard Knott

Assistant Director - Housing

NFDC facts and figures

- New Forest District Council is one of the largest local government authorities in the country, serving a population of over 170,000 residents



- Stock holding
- Largest social housing landlord in the district
- In house DLO
- Service Improvements since 2018
- Series of restructures to build capacity
- External contractors used for cyclical and planned works
- Affordable Housing Development Programme
- Greener Housing Strategy and Greener Housing Delivery Manager
- Secured LAD 1B and SHDF 2.1 funding
- Fire Safety Improvements totalling £6m
- Fire Safety and Asbestos teams

NFDC - Key Background Information

Properties

- 5,200 properties
- 1,800 garages

Rents

- Average weekly rent £113.71
- Garage weekly rent £12.09
- CPI +1% uplift in April 2024 (7.7%)

Right to Buy sales

- 36 in 22/23
- 15 in 23/24
- 21 – projection 24/25

Number of employees

- 217

Energy Efficiency

EPC	Number
A	0
B	54
C	1911
D	2988
E	167
F	20

Repairs

- 20,000 pa

Age Profile

Count of AddressId	Build date
4	Before 1900
100	1900-1929
598	1930-1949
2048	1950-1966
1259	1967-1975
398	1976-1982
435	1983-1990
112	1991-1995
2	1996-2002
1	2003-2006
9	2007-2011
174	2012 onwards

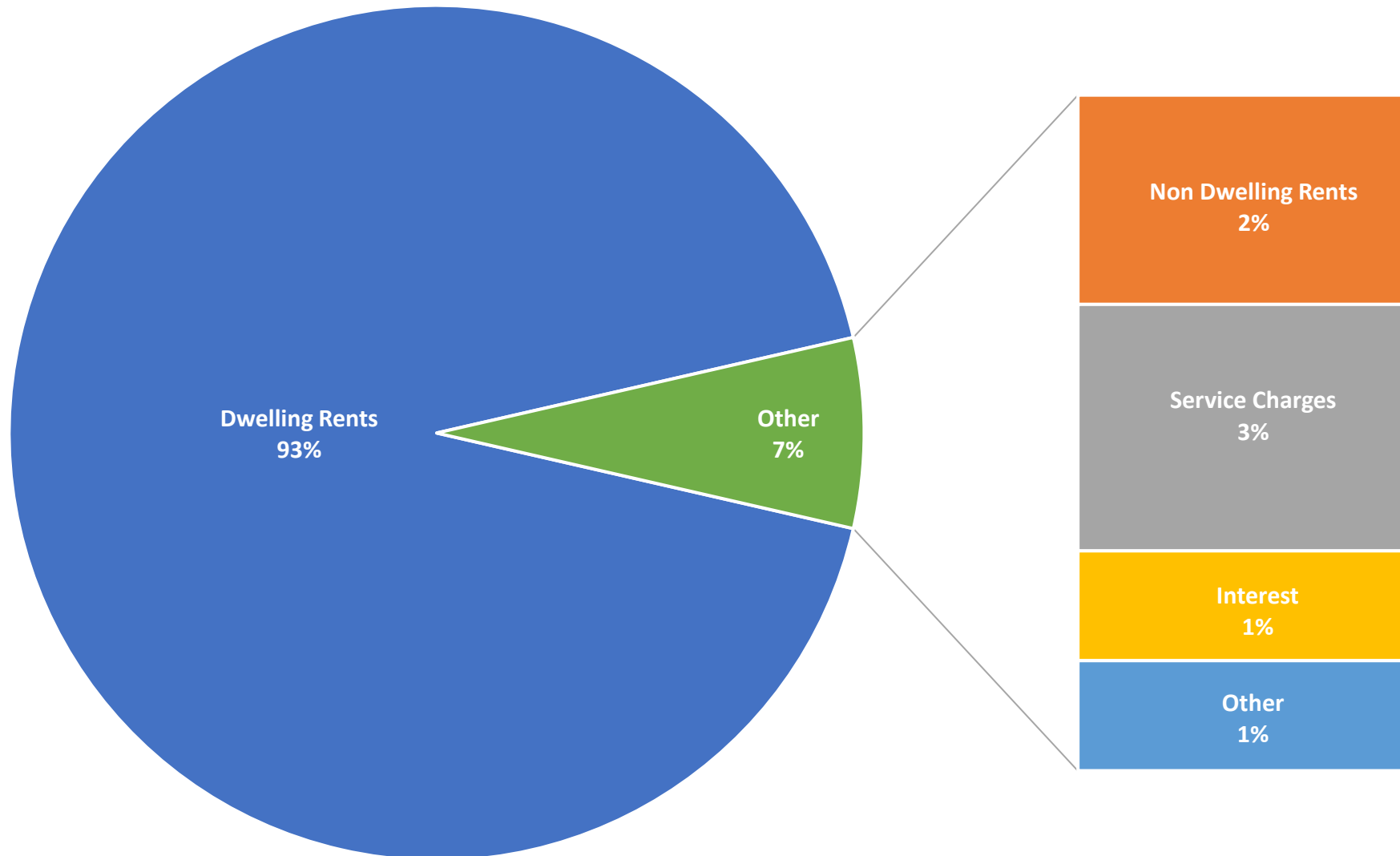
New Social Housing

Housing Strategy - Current target = 600 additional Council properties by 31 March 2026

<u>Total Affordable Housing completions</u>	2018/19	2019/20	2020/21	2021/22	2022/23	Forecast 2023/24	Sub-Total	Forecast 2024/25	Total
Registered Providers & private developers	70	52	126	4	51	79	382	19	401
NFDC	57	90	64	24	50	55	340	74	414

23/24 Income position

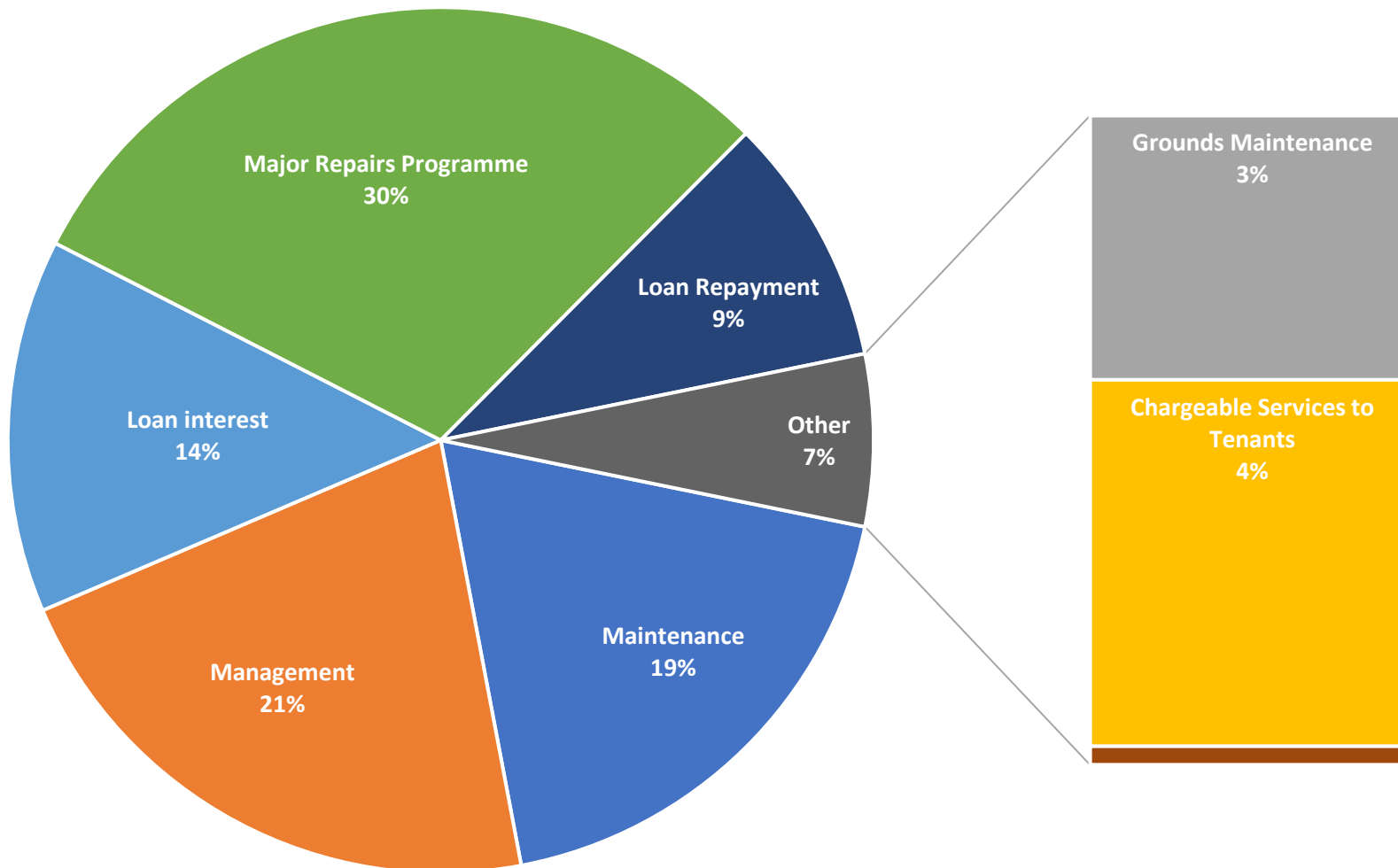
Housing Revenue Account Income 2023/24



HRA INCOME 23/24	
	£'000
Dwelling Rents	30,077
Non-Dwelling Rents	720
Service Charges	849
Interest	378
Other	379
	32,403

23/24 Expenditure Position

Housing Revenue Account Expenditure 2023/24



HRA EXPENDITURE 23/24

	£'000
	6,096
Maintenance	6,982
Management	846
Grounds Maintenance	1,174
Chargeable Services to Tenants	4,522
Loan interest	9,700
Major Repairs Programme	3,024
Loan Repayment	59
Other	
	32,403

23/24 Additional income and expenditure

ADDITIONAL CAPITAL EXPENDITURE 2023/24

	£'000
Fire Assessment Works	2,000
Major Refurbishments	1,500
Estate Improvements	200
Disabled Facilities Adaptations	950
New Dwellings	15,200
	19,850
FINANCING	£'000
Grants	3,660
Capital Receipts	2,000
Borrowing	9,280
Housing Revenue Account	1,940
Reserves	2,970
	19,850

23/24 – Total Housing
Service annual
expenditure

£52,253,000



TSM Tenant Perception Survey results

TP01
Overall
Satisfaction



575
Responses



TP02 Repairs
Service



TP08 Treats me
fairly



TP03 Repairs
Completion Time



TP09 Complaints
handling



TP04 Building
Maintenance



TP10 Communal
Areas



TP05 Safety



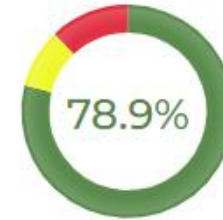
TP11
Neighbourhood
contribution



TP06 Listens to me



TP12 ASB



TP07 Keeps me
informed

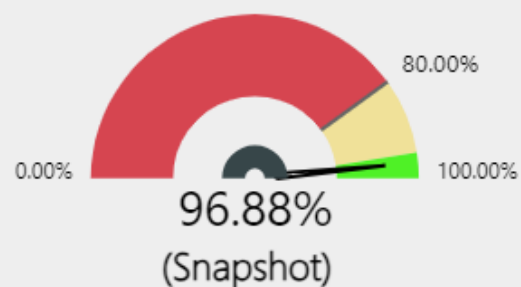


TSM Dashboard

Reporting Month: January

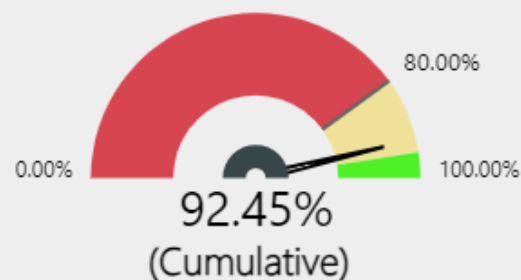


RP01 Decent Home Standard



This measure will be based on the percentage of a landlord's homes that do not meet the Decent Homes Standard.

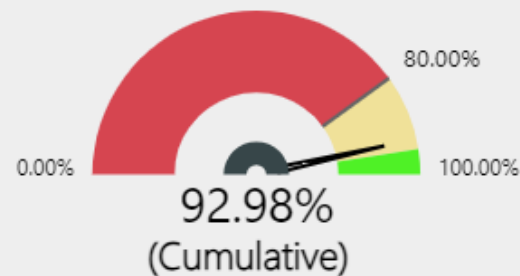
RP02 Emergency Repairs



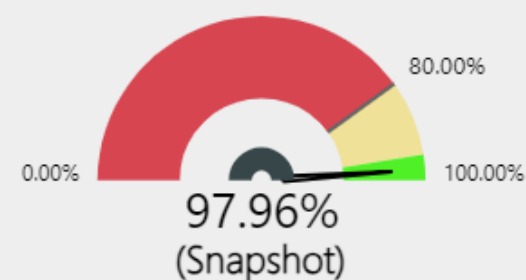
This measure will be based on the percentage of repairs the landlord has done within the target time they have set for themselves.

This will measure both emergency and non-emergency repairs requested by tenants.

RP02 Non Emergency Repairs

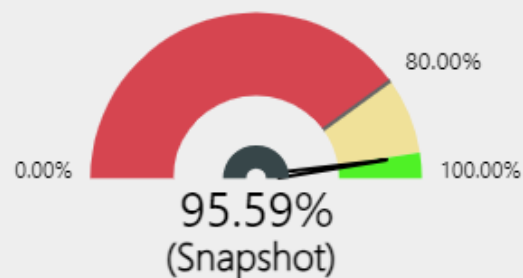


BS01 Gas Safety

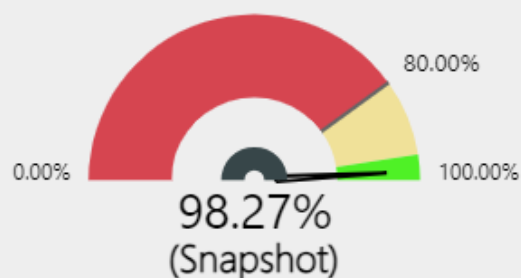


This measure will be based on the percentage of homes that have had all the necessary gas safety checks.

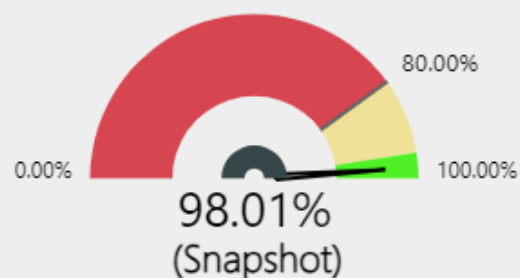
BS02 Fire Safety



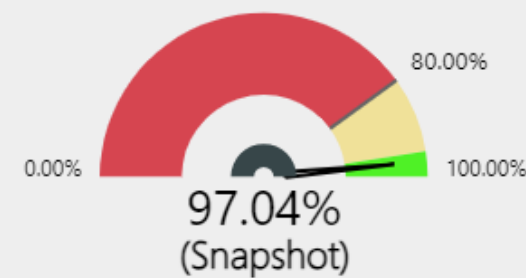
BS03 Asbestos Management



BS04 Water Safety

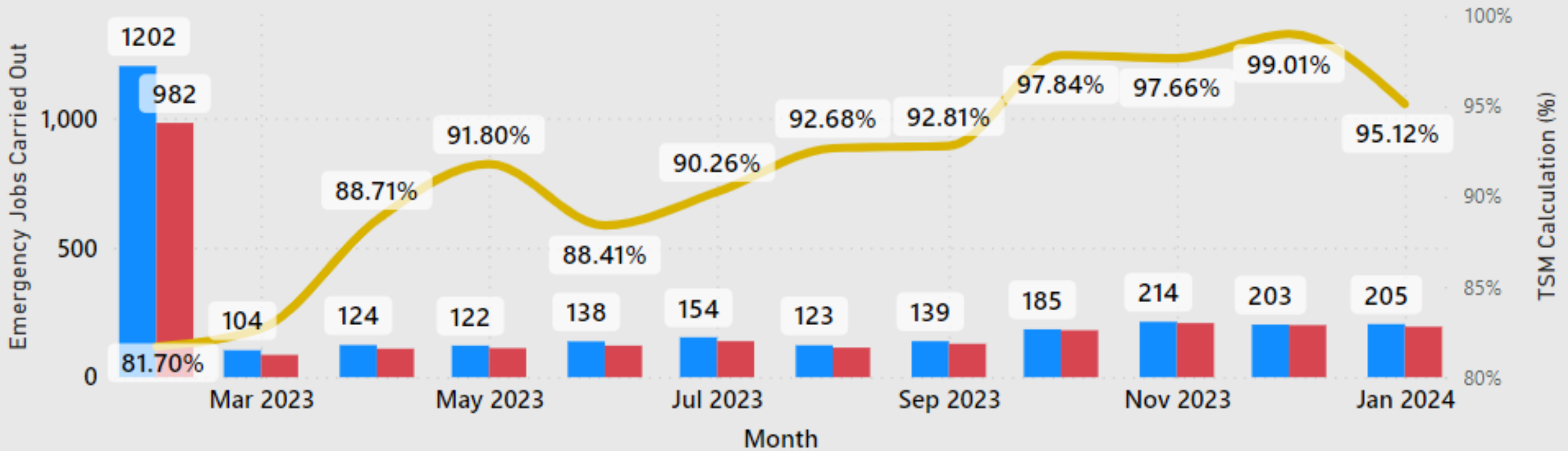


BS05 Lift Safety



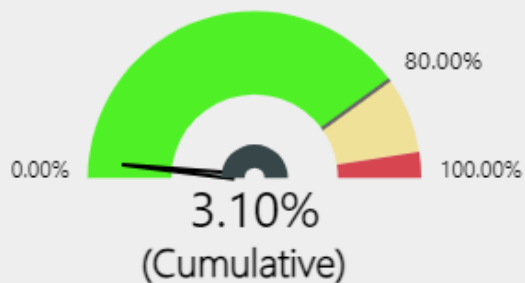
Repair Tracker

● Emergency Jobs Carried Out ● Emergency Jobs Within T/F ● TSM Calculation (%)

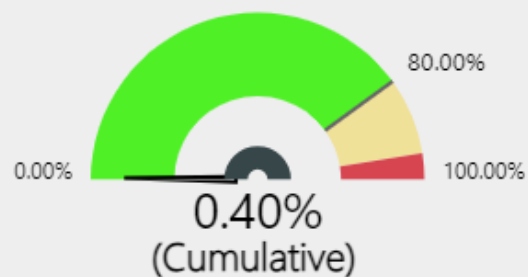


TSMs – End of January results

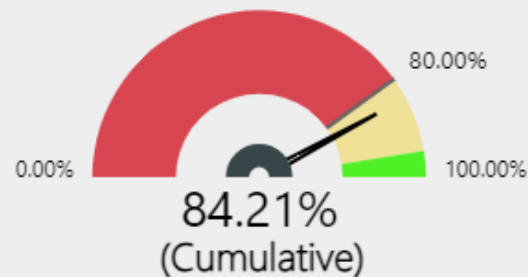
CH01 Stage 1 Received Complaints



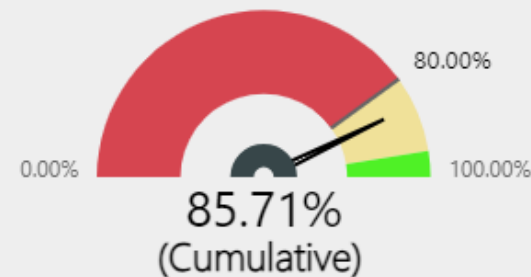
CH01 Stage 2 Received Complaints



CH02 Stage 1 Complaints Response



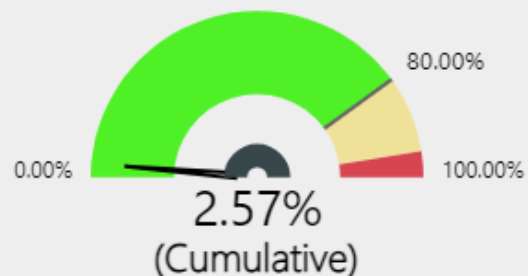
CH02 Stage 2 Complaints Response



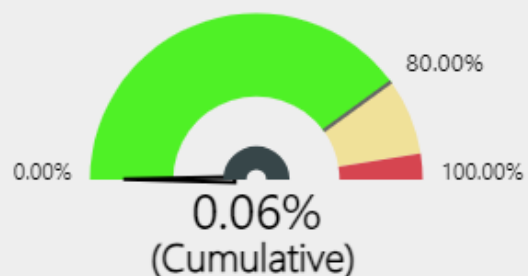
This measure will be based on the number of complaints the landlord receives for each 1,000 homes they own.

This measure will be based on the percentage of complaints the landlord responds to within the times set by the Housing Ombudsman's Complaint Handling Code.

NM01 Anti Social Behaviour Cases



NM01 ASB of Hate Crime Cases



This measure will be based on the number of anti-social behaviour cases opened for each 1,000 homes the landlord owns, including the number of cases that involve hate incidents.

Housing Customer Contact 2023/24

Data to 31st January 2024 () Denotes previous year for comparison

Month	Total Number Calls	Total Number Chats	Total Number Emails	Total Contact
April	3015 (3351)	97 (23)	2017 (909)	4285 (4183)
May	3318 (3520)	98 (59)	2357 (1186)	4683 (4765)
June	3082 (3706)	79 (34)	1342 (1202)	4503 (4942)
July	2881 (3158)	58 (75)	1242 (1019)	4181 (4252)
August	2913 (3387)	68 (85)	1532 (1314)	4125 (4786)
September	3247 (3397)	48 (59)	1731 (1263)	5026 (4719)
October	3870 (3735)	69 (68)	1365 (1394)	5304 (5197)
November	3665 (4068)	81 (73)	1874 (1632)	5206 (5746)
December	2979 (2901)	81 (78)	1013 (1373)	4043 (4839)
January	3580 (4057)	75 (52)	3580 (1206)	5016 (4533)
February	** (3265)	** (74)	** (1332)	** (4671)
March	** (3782)	** (89)	** (1264)	** (5135)
Running Total 23/24	Total Number Calls	Total Number Chats	Total Number Emails	
	32,557	718	15,032	

2025/26 Maintenance Budgets

CYCLICAL MAINTENANCE	2024/25 £
External Cleaning and Decoration	500,000
Appliance servicing (including gas, oil, solid fuel)	987,000
Lift Servicing	96,000
Fire Alarm Servicing	75,000
Portable Appliance Testing	4,000
Fire Risk Assessments	27,000
Air Source Heat Pump Servicing	1,000
CCTC, Laundry & Door Entry Servicing	15,000
Legionella Testing	23,000
Automatic Door Servicing	21,000
Window Cleaning	23,000
Alarms & Telecommunications	38,000
Emergency Lighting	76,000
TOTAL CYCLICAL MAINTENANCE BUDGET	1,886,000

PLANNED MAINTENANCE & IMPROVEMENTS	2024/25 £
Heating Replacement Gas	1,455,000
Electrical Rewiring	842,000
Sheltered Schemes Minor Works	200,000
Low Maintenance Eaves	500,000
External Door Replacements	316,000
Pitched Roofing	945,000
Repointing	10,000
Window Replacements	1,476,000
Kitchen Refurbishments	1,000,000
Drainage	50,000
Insulation Works	76,000
Structural Works	300,000
Asbestos surveys and removal	100,000
Garages	200,000
Heating Replacements Electric	112,000
Bathroom Refurbishments	320,000
Insurance Work	10,000
Water Main Renewals	35,000
Miscellaneous	653,000
TOTAL PLANNED MAINTENANCE & IMPROVEMENT BUDGET	8,600,000

Decarbonisation Projects	2024/25 £	2025/26 £	2026/27 £
Decarbonisation	2,170,000	2,050,000	2,030,000
TOTAL DECARBONISATION PROJECTS	2,170,000	2,050,000	2,030,000
ESTATE IMPROVEMENTS	2024/25 £	2025/26 £	2026/27 £
Provision of estates works and paving	200,000	200,000	200,000
TOTAL ESTATE IMPROVEMENTS BUDGET	200,000	200,000	200,000

Damp, Condensation and Mould

Reports of damp, mould and condensation for period 1 October 2023 to 31st January 2024

199
Reports

41
Triaged 1st
report Advice
and
Information
Leaflet

135
Triaged
Maintenance
Visit

23
Triaged
2nd report



Maintenance Policies Introduced in 2019/20



Housing Landlord Services
Fire Safety Policy 2019



Housing Landlord Services
Playgrounds & Play Equipment Policy 2019



Housing Landlord Services
Lifts and Lifting Equipment Policy 2019



Housing Landlord Services
Legionella Policy 2019



Housing Landlord Services
Gas Safety Policy 2019



Housing Landlord Services
Maintenance and Repairs Policy 2019



Housing Landlord Services
Electrical Safety Policy 2020



Housing Landlord Services
Void and Mutual Exchange Policy 2020

Corporate control of contractors' policy

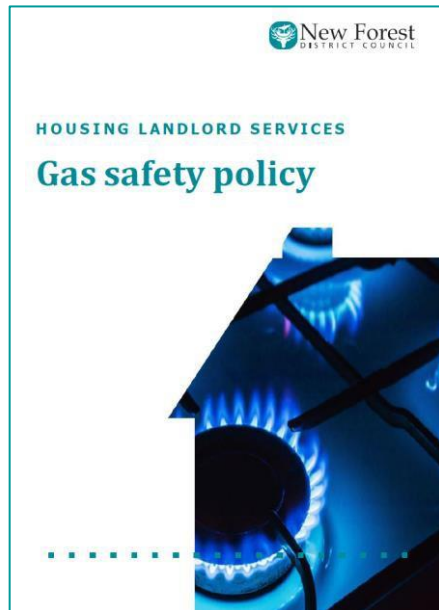
Corporate control of asbestos policy

New Policies and next steps...

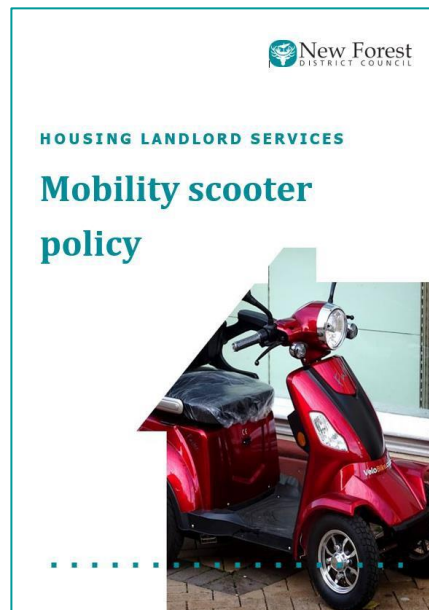
Reviews underway.....



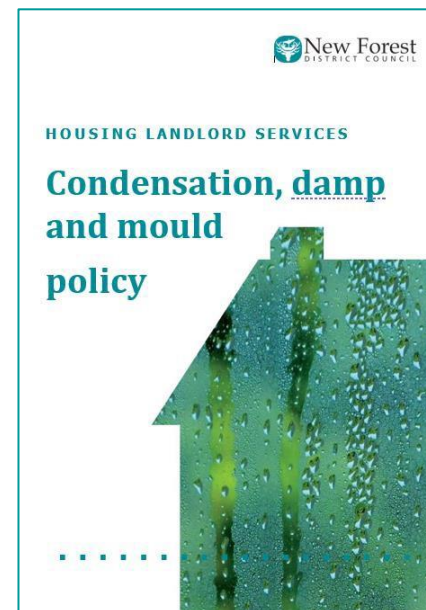
Updated September 2022



Updated February 2023

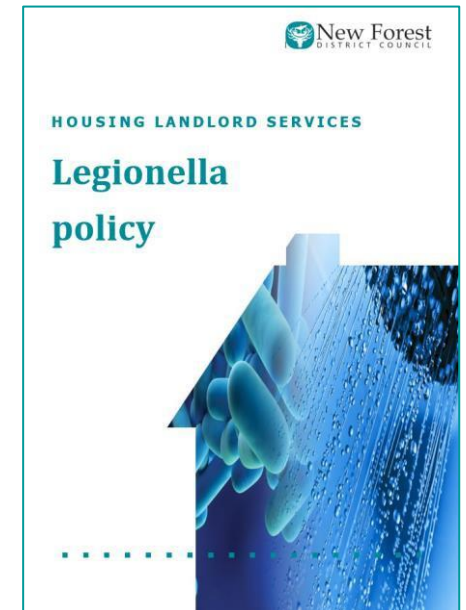


Introduced 1st March 2023



Draft in progress for 1st April 2024

- Legionella
- Playgrounds and Play Equipment
- Lifts and Lifting Equipment



Next steps.....

Reviews to be carried out in 2024:

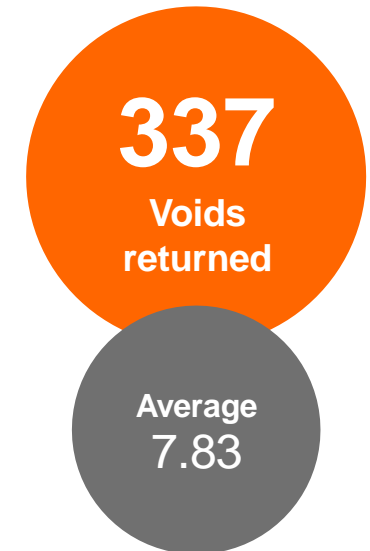
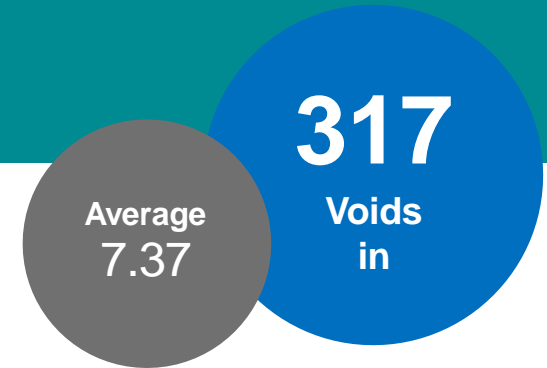
- Electrical Safety
- Maintenance and Repairs
- Void and Mutual Exchange Policies

Void Stats

Period 1st April 2023 to 31st January 2024

- 32 voids currently undergoing works.
- Average void maintenance turnaround from 'Keys In' sitting at **20 calendar days** for type A & B Voids.
- Type C voids includes buy backs and properties requiring more extensive work to make them available for reletting.

Voids	2022/23	23/24 To end of Period 10 (12 months)
General inc. TA	273	273 (330)
PSLs	51	64 (77)
TOTAL	324	337 (407)
Average Cost Internal	£3,123	£2,044
Average Cost External Contractor	£3,785	£6,363*
Annual Expenditure	£1,072,203 (HRA Outturn)	£1,329,340 Voids Budget £1,116,311 to period 10 £1,339,573 projected to period 12



Financial Pressures

- **Stock investment**
 - Aging stock
 - Falling behind on replacement programmes
 - Increasing material costs
 - Major works:
 - £47,806/unit over 30 years - **£248,591,200**
- **Refurbishments and Major Structural issues**
 - Older temporary accommodation
 - Subsidence and structural issues
- **Decarbonisation**
 - Additional £9m - £15m by 2030
 - No certainty over grant funding post 2025
 - Decarbonisation: £25,000/unit by 2050 -
 - Additional £115m by 2050
 - Switch from gas boilers to alternative heating
 - Re-training
- **Fire Safety programmes**
 - Will continue through the medium term
- **Rent Income**
 - 23/24 rent capped at 7% (11.1% without)
 - New Government settlement from 2025 (CPI+1% currently)
 - Cost of Living – Increasing arrears
 - Garages – review to begin in 2024 as high repair costs, income loss, and additional budgets required
- **Voids**
 - Increased number of voids impacts income
 - Level of expenditure required per void
- **Internal Costs**
 - Grounds Maintenance
 - Streetscene, Trees

Financial Pressures

- **Gov't Policy**

- Future Rent Caps will affect income position

- **Disabled Facilities Grants**

- 23/24 £950k – stopped new work
- 24/25 £1.2m required with further increases

- **Recruitment**

- Unable to attract and retain skilled employees with current pay

- **Professionalisation**

- New qualifications for Managers
- £30k initially then £10k pa

- **Interest Rates**

- Higher interest charges on borrowing

- **Inflation**

- High inflation will affect expenditure position
- Staff pay £350k extra this year

- **Damp and Mould response**

- Cleaning costs
- Ventilation

- **Social Housing Regulation Act**

- £41k per year registration
- Tenant Engagement
- Surveying costs - £20k per year
- Technology improvements
- Estate and neighbourhood Improvements

- **Housing Development**

- Increasing land values
- Increasing material costs

Draft baseline

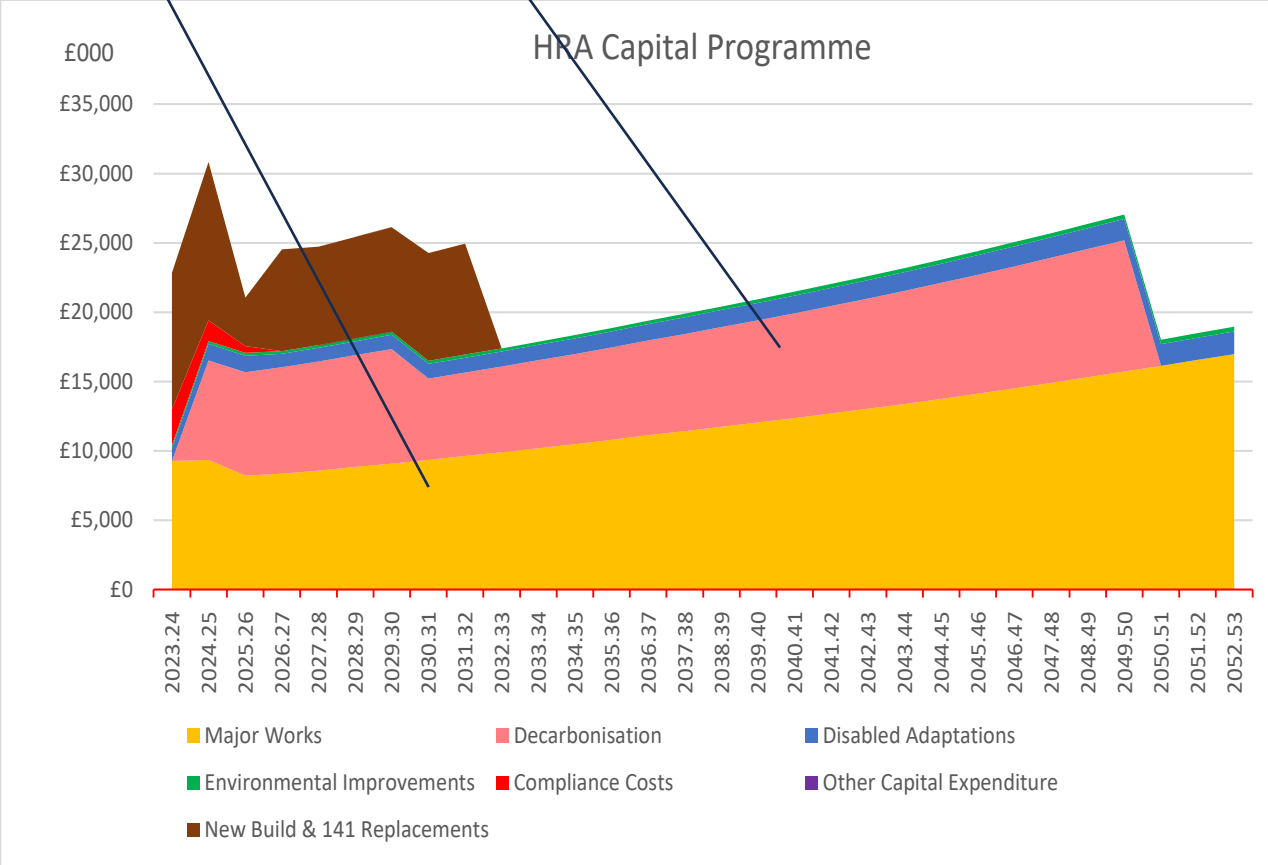
Major works spend/unit is higher than average

Decarbonisation spend reflects £25k/ unit (net)

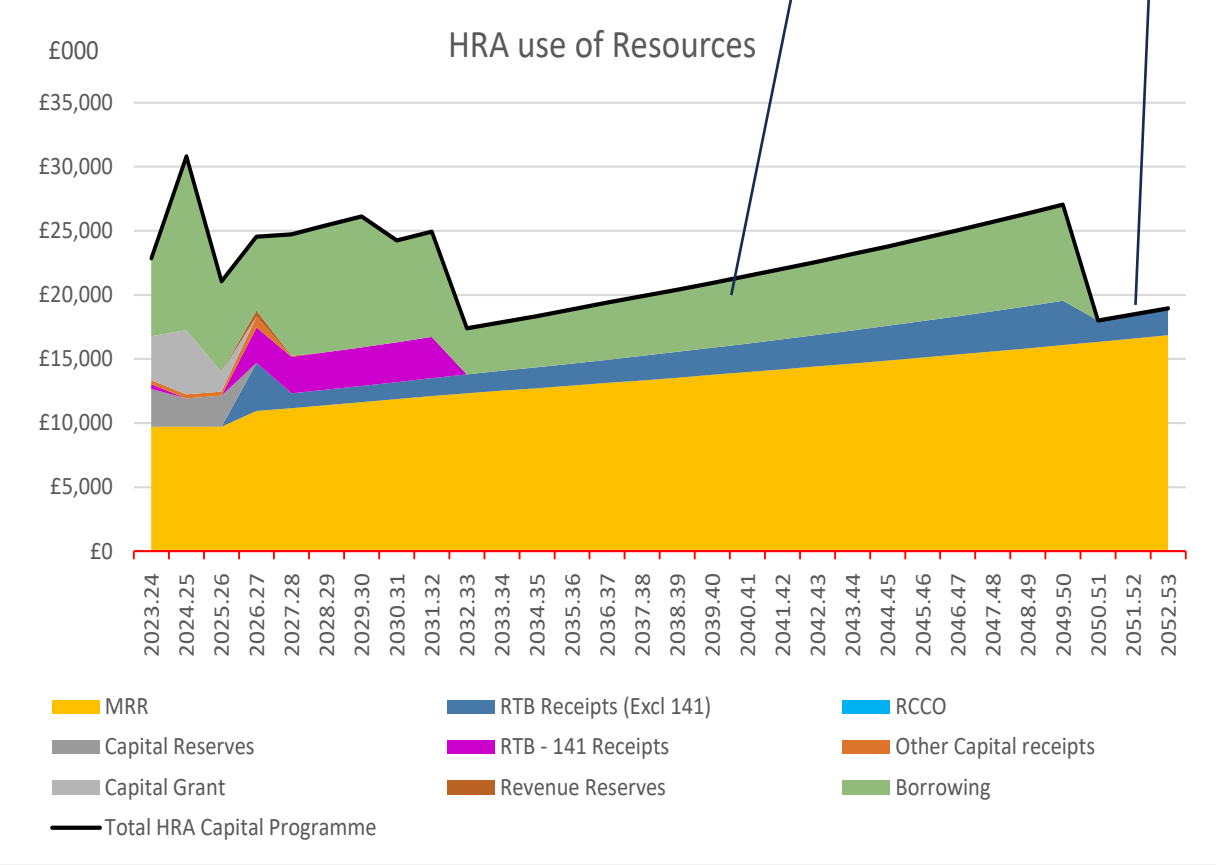
Relies on borrowing for decarbonisation investment

Resources exceed investment after decarbonisation

Capital programme



Capital financing



Draft baseline

Performance is better than most authorities

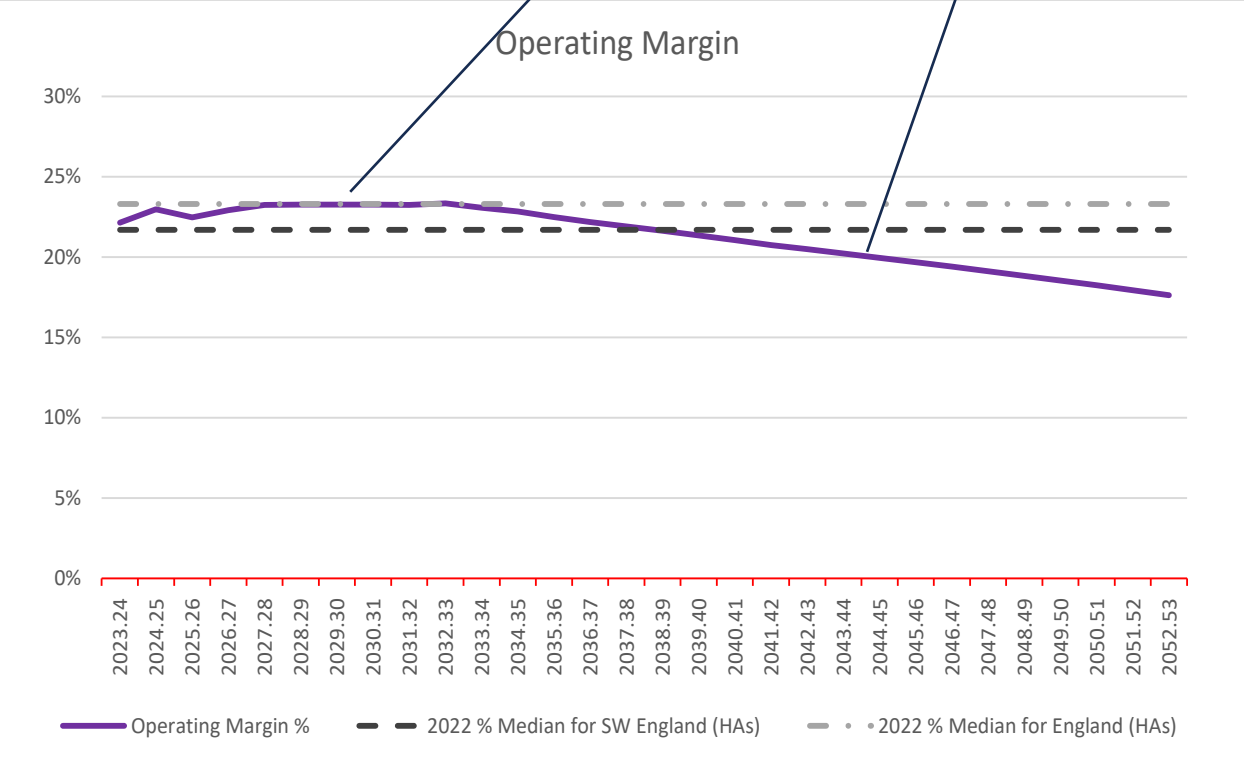
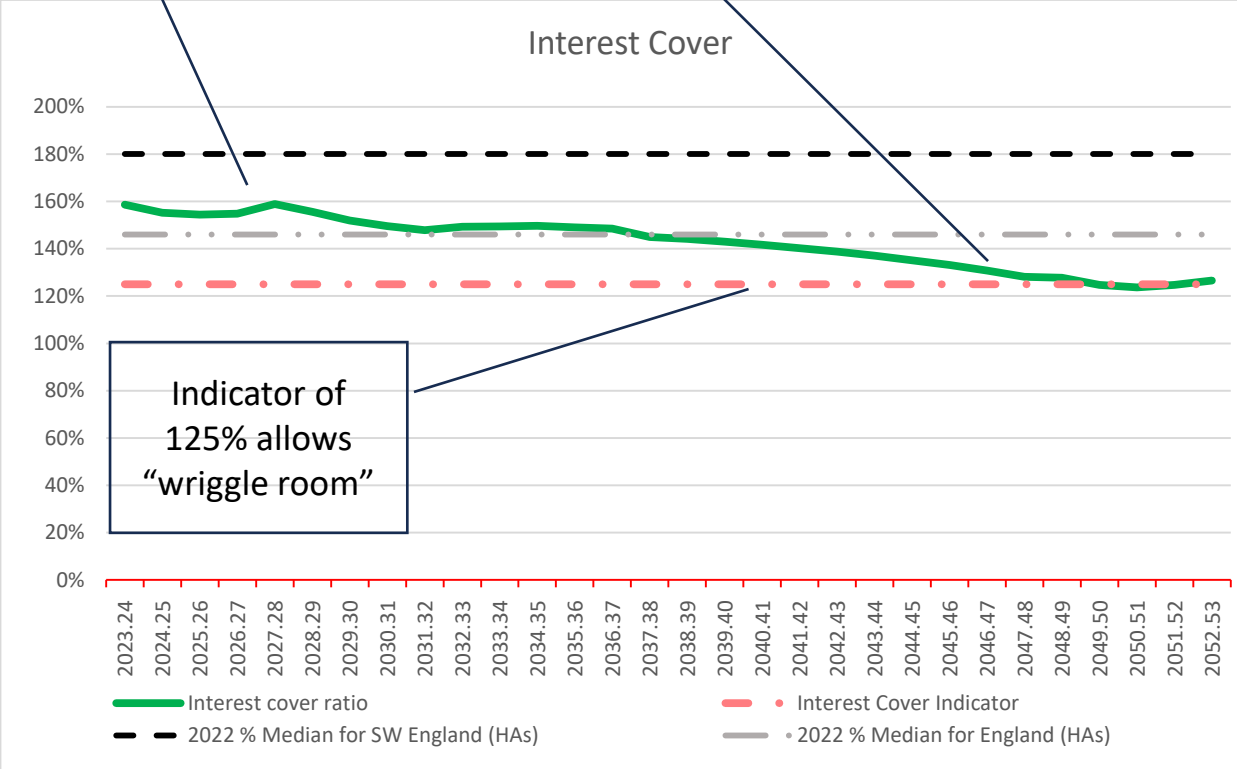
Affordability drops as debt increases

Performance is better than most local authorities

Costs per unit rise faster than rents over long term

Interest cover

Operating margin



*Good measure of risk used in the sector - Interest cover is the number of times that the annual interest charge could be paid out of the annual net income

*Operating Margin is the net income of the HRA, expressed as a percentage of total income. It shows the percentage of income that is available to service debt or pay for investment, after deducting the main operating costs

Income maximisation

New Rent Setting and Service Charge Policy approved January 2023:

- Service Charge review to yield £175k additional annual income from 24/25.
- All newly built dwellings that are not let at Affordable Rent, or Shared Ownership, will be let at Formula Rent, plus 5% rent flexibility.
- Properties purchased under the 'Buyback' scheme will be let at formula rent.
- All dwellings that become vacant and available for relet, and that are not let at Affordable Rent or Shared Ownership, will be let at the Formula Rent.
- Rent Flexibility of 5% will be applied to the weekly rent of empty social rent properties upon reletting, in addition to the uplift to formula rent, where the empty property:
 - Is part of an energy efficiency improvement programme
 - Receives significant expenditure, over £40,000, to remedy substantial property faults

Conclusions

- Higher major repairs costs and introduction of Decarbonisation work can be afforded **BUT**, places HRA under additional pressures over 30-year period.
- Lots of opportunities to explore innovative ways of working
- **In Summary - Overall, position looks strong, BUT**
- **Still requires rigorous management of costs and maximisation of income.** The HRA needs to operate as a **long-term business**, within boundaries set by the available revenue and capital resources.

Questions?