

**Committee: Sustainable Communities Scrutiny Panel**

Date: 26 February 2014

Agenda item: 6

Wards:

**Subject: Update on the housing stock transfer to Circle Housing Merton Priory**

Lead officer: Simon Williams, Director of Community and Housing  
Lead member: Councillor Nick Draper, Cabinet Member for Community and Culture

Contact officers: Steve Webb, Business Support and Relations Manager ([steve.webb@merton.gov.uk](mailto:steve.webb@merton.gov.uk))  
Steve Langley, Head of Housing Needs and Strategy ([steve.langley@merton.gov.uk](mailto:steve.langley@merton.gov.uk))

**Recommendations:**

- a) That the Sustainable Communities Overview and Scrutiny Panel note the contents of the report.

## **2 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 2.1. This report presents a review following the housing stock transfer. It examines the performance of Circle Housing Merton Priory (CHMP) against the promises made in the offer document and the financial commitments made by CHMP and the council in the transfer agreement. The report also provides information on elements of operational performance.

## **3 DETAILS**

### **3.1. Background**

Following the positive vote by tenants in June 2009, the council transferred its 6326 tenanted properties and 2535 leasehold properties to Merton Priory Homes (now CHMP) on 22 March 2010.

The offer document on which tenants voted contains a number of promises to be fulfilled by CHMP should the transfer go ahead. These were commitments made in the council's name. The transfer agreement between the council and CHMP also contains a number of financial commitments comprising mainly of payments that CHMP are due to make to the council.

- 3.2. It is very important that CHMP's performance both in delivering the offer document promises and in making payments when due is closely monitored. To achieve this, an agreed framework has been

developed involving regular programmed liaison meetings, the production of reports and the logging of any issues that arise, and this is working well. Importantly in over three years since transfer, a positive and professional working relationship between the council and CHMP continues to develop. Whilst issues do occur from time to time these are resolved by negotiation and discussion.

### 3.3. Progress against offer document promises

2.3.1 The offer document contains 91 legally binding promises. Of the 91 separate promises 80 have been completed and work has commenced and is in progress on the remaining 11.

2.3.2 **Completed promises:** A list of the 80 completed promises can be found at Appendix A.

2.3.3 **Promises in progress:** A list of these 11 promises with an update on each can be found at Appendix B.

### 2.3.4 Sheltered Housing development

One of the key promises is the eradication of shared facilities at three sheltered housing schemes. In consultation with residents, the decision was made to redevelop the schemes rather than refurbish. Progress is well underway and the current position is:

- Gresham House (18 x 1bed 2 person flats plus communal facilities) – Handover of new development completed and tenants moved in from 19 February 2013.
- Oaks Court (51 flats – 26x 1bed and 25x 2bed – plus communal facilities) – superstructure is finished and work is progressing on completing, snagging and signing off flats progressively around the building. There has been some further slippage in the programme due to adverse weather (affecting completion of external areas) and one of the sub-contractors going in to receivership. The contractor is now forecasting completion in mid-March 2014.
- Dolliffe Close (43 flats – 16x 1bed and 7x 2 bed for older people – 18x 1bed flats for people with learning disabilities – 2x 1bed general needs flats) – now forecasting completion in late July – the two general needs flats are largely complete and the builder is progressively working on the main block from the south west end of the site to the north east end. Apart from the substantial delay already incurred due to the need to re-design the foundations the main delays since then have been due to adverse weather conditions.

### 3.4. Progress against financial commitments in the transfer agreement

The transfer agreement contains a number of provisions for payment to the council by CHMP. The summary of the current position is set out below.

Description	Amount £ (March 2010 to date)
Council's pre- and post-ballot set up costs (One –off)	<b>£2,097,970</b>
Equipment transferred to MPH (One–off)	<b>£34,147</b>
Accommodation related costs (One–off)	<b>£16,657</b>
Fee for continued access to Home Connections (choice based lettings system) (Annual)	<b>£48,383</b>
Payment for rent arrears (two instalments / year 1)	<b>£605,683</b>
Right To Buy clawback (quarterly when properties sold)	<b>£4.2416m</b>
Payment for service charge arrears	<b>£879,378</b>
Payment for ongoing service charge collection on major works schemes due to LBM	<b>(included in £879k above)</b>
VAT shelter	<b>£9.1828m</b>
Rent for 328 London Rd (MTRF office) (4x Quarterly payments / year)	<b>£30,000</b>

A more detailed position can be found at Appendix C.

## 2.5 Major Works / Development Programme

The Development Agreement made at transfer was for CHMP to invest £224m in the stock. As part of this agreement, the *Major works programme* is a commitment to invest £110m in the first 10 years, on improving the quality of the housing stock, both internally and externally. The improvement and modernisation programme (meeting the Merton Standard) is the single biggest promise in the offer document.

As an indication of progress, at the end of December 2013, CHMP has invested a total of £60.2m since transfer and reduced non-decency to 26.9%.

CHMP has made good progress in meeting its commitments to date, despite having encountered some performance issues in 2013/14.

Shortly after transfer the responsive repairs contractor in place at the point of transfer went into administration and in order to ensure continuity of service CHMP utilised an existing contractor within the Circle Housing Group as a temporary measure. Circle Housing embarked upon a procurement exercise in 2012/13 for a regional repairs and maintenance contract that covers three housing associations, including CHMP (to achieve greater economies of scale and to support further investment). At this time the responsibility for the repairs and maintenance was transferred to the Regional Director of Property Services. The operations team are based at the CHMP

offices. The responsive repairs contract moved to a new contractor in February 2013.

In addition, the procurement exercise presented an opportunity to reduce the number of contractors delivering the planned investment programme from three to one, representing better value for money for residents. The planned investment contract moved to a new contractor in April 2013. CHMP has experienced a number of operational and reporting issues since the move to new contractors and has worked with the new contractors to ensure solutions are in place. This has had limited impact upon performance.

Planned investment progression has been impaired by the need to resolve issues with Leaseholders, property data, investment requirements, project delays and the service provider partner responsible for its delivery. As a result elements of the programme have been re-profiled over the next 2 years to ensure delivery of the related promises due by December 2015.

Additionally, there were works planned for the three estates that are proposed for regeneration, these works have been re-scheduled pending a decision to proceed. As a result CHMP's best-case projection for this year is to complete works to the value of £6.2m compared to the highest projection of £19.8m. They advise however that the worst-case projection could be £5.1m.

To provide some context to these projections, at the time of transfer it was projected that CHMP would spend £66.8m over the first four years, the current projection is for £62.2m. The impact on the VAT Shelter receipts to the council shows a difference of £800K on the initial projection of £11.7m compared to the latest projection.

## 2.6 Operational Performance

There are very few specific operational targets within the offer document and the council monitors operational performance through regular meetings attended by the Managing Director of CHMP, the Cabinet Member for Community and Culture, the Director of Community and Housing and the Business Support and Relationship Manager. CHMP seeks to ensure that it continues to "enhance life chances" of its residents by providing services of the same standard or higher standard than they were with the council.

During the first three years of operation CHMP performance showed a steady and sustained improvement. It is not proposed to comment in detail on operational performance in this report and headline information is set out below:

	<b>LBM Performance March 2010</b>	<b>CHMP Target (Tolerance) March 2013</b>	<b>CHMP Performance March 2013</b>
Repairs completed in target	99.27%	91% (88.3%)	97.3%
Tenant satisfied with last repair	N/a	90% (85%)	90.3%
Units with valid Gas Safety Certificate	99.29%	100% (100%)	99.1%
Units with a completed Fire Risk Assessment (properties with a common area)	N/a	100% (97.5%)	100%
Units with all Cat 1 works identified completed	N/a	100% (90%)	71.6%
Re-let times (General Needs)	26.8 days	20 days (28 days)	15.5 days
% of non-decent homes	61.45	N/a	28.35
Rent Arrears	5.76%	3.5% (3.9%)	3.2%
Rent and Service Charge Collection	96.46%	100.5% (99%)	104.4%
Complaints responded to on time	95.3%	90% (85%)	85.1%
Members enquiries responded to on time	98.4% (15 days)	98% (95%) (10 days)	87.4%

As outlined in section on Major Works / Development programme, there have been operational issues completing the 2013/14 programme of works. With this in mind, some indicators contained in the year-to-date performance below have been affected.

Latest performance data for affected indicators:

	<b>LBM Performance March 2010</b>	<b>CHMP Target (Tolerance) Dec 2013</b>	<b>CHMP Performance Dec 2013</b>
Repairs completed in target	99.27%	91% (88.3%)	74.90%
Tenant satisfied with last repair	N/a	95% (90%)	87.10%
Units with valid Gas Safety Certificate	99.29%	100% (100%)	99.93%
Units with a completed Fire Risk Assessment (properties with a common area)	N/a	100% (97.5%)	100%
Units with all Cat 1 works identified completed	N/a	100% (90%)	100%
Re-let times (General Needs)	26.8 days	20 days (28 days)	25 days
% of non-decent homes	61.45		27.0
Rent Arrears	5.76%	3.9% (4.85%)	2.95%
Rent and Service Charge Collection	96.46%	93.58% (91.50%)	99.40%
Complaints responded to on time	95.3%	95% (90%)	70.2%
Members enquiries responded to on	98.4%	98%	58.2%

	<b>LBM Performance March 2010</b>	<b>CHMP Target (Tolerance) Dec 2013</b>	<b>CHMP Performance Dec 2013</b>
time	(15 days)	(95%)	

## 2.7 Conclusion

Overall, it has been almost four years since transfer and CHMP has done well in delivering its obligations and commitments to the council.

The council continues to actively monitor progress against the promises, taking appropriate action should any failings occur, but importantly adopting a common sense approach if this is in the interests of the council, its residents and CHMP.

## 2.8 **ALTERNATIVE OPTIONS**

2.8.1 None for the purpose of this report.

## 2.9 **CONSULTATION UNDERTAKEN OR PROPOSED**

2.9.1 CHMP has been consulted on the content of this report.

## 2.10 **TIMETABLE**

2.10.1 None for the purpose of this report.

## 2.11 **FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

2.11.1 The financial agreement contains a number of financial commitments, principally payments due from CHMP to the council. These are set out at paragraph 2.4 above.

## 2.12 **LEGAL AND STATUTORY IMPLICATIONS**

2.12.1 The offer document promises and the financial commitments form part of the Stock Transfer Agreement, a legally binding contract.

## 2.13 **HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

2.13.1 None.

## 2.14 **CRIME AND DISORDER IMPLICATIONS**

2.14.1 None.

## 2.15 **RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

Appendices: None

Background papers:

Offer Document  
Stock Transfer Agreement  
Reports provided by MPH



## Appendix A

	<b>Completed promises</b>
1	Full survey carried out on every home.
2	Customer feedback on every improvement.
8	Full consultation (every tenant) for all proposed modernisation and improvement programmes before work is carried out. (Works to only be carried out if tenant wants them to be done unless there are health and safety issues involved, such as gas servicing)
10	Digital TV aerials to replace existing communal aerials by the 2012 deadline.
12	A mobile CCTV service (to tackle anti-social behaviour hot spots).
13	A. Consult on possibility of changing the hours of neighbourhood wardens to work from 4pm – 11.30pm. B. Additional neighbourhood warden to cover Elm, Eastfields and Laburnum estates. C. Introduce two new mobile wardens to work at weekends across the borough.
14	Hand-held technology for caretakers to report repairs and issues.
15	Consultation on increasing cleaning and caretaking services.
16	A review of grounds maintenance services, to include improvements such as the removal of litter prior to grass being cut and the removal of trimmings after grass is cut.
17	An awareness campaign to reduce dog fouling, reminding residents of associated health risks and penalties; increased facilities such as more bins in communal areas.
18	Free gardening equipment on a loan basis.
19	An increase of £50,000 to the existing budget for home adaptations to £500,000 with the ability to bid for additional substantial funds that the council is unable to bid for.
20	At cost gardening service, between March and October, with priority for elderly and vulnerable people, to be charged at £7 per hour (at 2009 rates). Costs will be reviewed annually, but tenants will only be charged for labour.
21	Home contents insurance scheme to tenants along the same lines as the one available through the council, with effect from the date of transfer so no break in tenants' insurance cover.
22	Introduction of £150 of decoration vouchers.
23	A. Employ local labour, where possible, and work in partnership with contractors to create more employment opportunities. B. Engage local youth and develop apprenticeships and training schemes.
24	Increase staffing to provide more effective front line services.
25	Maintenance of communal land.- Provide a handyman service, with priority for elderly and vulnerable people.
26	Provide more advanced equipment for caretakers and cleaners to improve service quality, such as good quality tool kits, camera phones, and better leaf blowers.
27	£140,000 investment in each of Yrs 1 & 2 for older persons decorations. £100,000 pa from Yr 3.
28	Involve residents in helping to monitor overall repairs performance.
29	A. Compare performance with own agreed targets, as well as with the National Regulatory Code of the Tenant Services Authority.



	<b>Completed promises</b>
	B. Each year tenants will receive information on how well Merton Priory Homes was doing in meeting these standards. C. A simple clear complaints procedure will be available.
30	Create a 'neighbourhood profile' for each area to give new residents useful information about their neighbourhood.
31	A. Consult fully with leaseholders and service charge paying freeholders prior to the introduction of any new services. B. New services to only be introduced where the majority of those residents affected agree. C. Not to unreasonably refuse leaseholders or service charge paying freeholders the ability to opt out of new services if they wish and it is possible.
32	Offer leaseholders the opportunity to insure the contents of their home through a policy available to Circle Anglia group tenants and leaseholders, providing cover for furniture and belongings or decorations against theft, fire, vandalism and burst pipes.
33	New forums to be set up for the following groups: A. Sheltered Housing B. Youth / Young persons C. Street properties and small blocks D. Freeholders (consult on the establishment of a bi-annual service charge paying freeholder forum) E. Leasehold forum to continue
34	Provide a dedicated budget for resident skills and training.
35	Establish a resident's resource centre equipped with new IT facilities and other resources to support and encourage resident involvement and employment, including links to Connexions and Job Centre Plus.
36	Sponsor two tenants, or the children of tenants, to train as surveyors with a view to future employment with Merton Priory Homes.
37	A. Strengthen resident involvement structures. B. Develop Resident Involvement Strategy.
38	Establish groups to involve residents in planning major works in their neighbourhoods.
39	Customer satisfaction surveys to be carried out on a regular basis.
41	A. Continue to recognise and support Glebe Court Tenant Management Organisation. B. Consider applications from any other groups of tenants wishing to form a Tenant Management Organisation.
42	A. Give leaseholders and service charge paying freeholders the option of viewing invoices for services. B. Provide service charge paying freeholders and leaseholders with a breakdown of their charges for services into component parts to ensure transparency.
43	Investment of £1 million in developing local projects and initiatives within the community.
44	Provide an annual youth fund of £20,000 for young people living in Merton Priory Homes' properties to bid for improvements or new youth services or opportunities.
45	Seek to work more closely with local schools to support young people in Merton with the extension of the Junior Wardens Scheme.
47	A. £1.25 million budget to improve the attractiveness and facilities on estates in the first two years.

	<b>Completed promises</b>
48	Complete a review of parking and community facilities, in consultation with residents.
49	Improve external storage solutions on estates (including improvements to communal wheelie bins and recycling facilities and to bin stores, where possible).
50	Consult with local/affected residents on ideas for improvements on the main estates in the borough - detailed in offer document.
51	A dedicated annual budget of £50,000 that residents in small blocks and street properties can bid for, to make environmental improvements of their choice.
52	A. Skip days on a quarterly basis for Merton Priory Homes' residents on estates. B. Quarterly bulk rubbish removal service for residents living in street properties and small blocks with a published programme of dates, times and collection points.
53	An annual budget of £211,000 to be spent across the 22 largest estates.
54	Further consultation programme with tenants in each (sheltered) scheme prior to developing more detailed proposals that would be in the best interests of the residents
55	Eradicate all shared bathroom and toilet facilities within The Oaks, Dolliffe Close and Gresham House (through remodelling or rebuilding).
56	A. If temporary moves necessary, staff to meet with tenants and supporters, to help plan the move B. Compensation for any disturbance or inconvenience.
57	No development work (to sheltered schemes) to commence within 12 months of the date of transfer.
58	Maintain similar levels of sheltered housing as presently exist, providing there is the need.
59	Employ a handyperson specifically for sheltered housing tenants, to undertake minor repairs and decorating at all schemes.
60	Annual budget of £3,000 per (sheltered) scheme to be spent on social activities or equipment.
61	£20,000 annual fund for larger improvements in sheltered housing schemes (subject to bid process)
62	Lever taps to be fitted as standard (in sheltered accomm).
63	Improved door entry security would be installed (to sheltered accomm).
64	Soft furnishings and carpets in all (sheltered) communal rooms would be replaced.
65	Improved laundry facilities to be provided with additional machines and equipment, where necessary (in sheltered accomm).
66	Chair or stair lifts to be installed, where needed (in sheltered accomm).
67	Computer with free internet access for tenants use in all sheltered schemes to be made available.
68	Review of the (sheltered) warden service to be undertaken, with an extension to the current hours provided
69	Additional support as required during major works (in special circumstances), including tenant moves on a temporary (or permanent) basis whilst work completed and payment of appropriate disturbance costs
70	Preserved Tenants' Rights : A. The Right to Buy with a discount B. The Right of Succession (the ability to pass on home) C. The Right to Transfer and Exchange D. The Right to Sub/let or Take in Lodgers

	<b>Completed promises</b>
	E. The Right to Repair F. The Right to Carry Out Improvements and Receive Compensation G. The Right to be Consulted H. The Right to Information
71	A. The Right not to have Tenancy Agreement changed (except for rent and service charges) without individual consent B. The Right to Acquire
72	A. Rights to live in the home to match the rights tenants have currently with the council as far as possible. MPH will not use grounds 1, 2, 3, 4, 5, 6, 8 and 11 of Schedule 2 of the Housing Act 1988. B. Not use any of the additional grounds for eviction available under an assured tenancy. This will be written into the new tenancy agreement, as well as into the legal agreement between Merton Priory Homes and the council.
73	The tenancy agreement will be substantially in the form set out in the offer document.
74	A. (most) Existing employees from the housing management, property and support services teams of the council to transfer to Merton Priory Homes. B. Merton Priory Homes' staff would work from offices within the borough.
75	New and full programme of staff training.
76	A. Establish as a not-for-profit, organisation B. Gain charitable status
77	Management Board of 15 Members, comprising: <ul style="list-style-type: none"> <li>• Four tenants</li> <li>• Two leaseholders</li> <li>• Five independents (selected for their specialist skills, background and experience)</li> <li>• Four council nominees</li> </ul>
78	Merton Priory Homes to be an Industrial and Provident Society.
79	No extra charge to tenants for any (of these) improvements (over and above the annual rent increases).
80	A. Provide a guarantee that for a minimum of five years following transfer, rents would only increase by a maximum of inflation plus 0.5% plus up to £2.08 per week (payable over 50 weeks) until the target rent is met. B. Once the target rent is being paid, the annual increase will be no more than inflation plus 0.5%. The guarantee will apply even if Government guidance changes.
81	After the expiry of the rent guarantee period we will continue to set rent in accordance with Government policy and regulatory guidance.
82	During the rent guarantee period, no change the valuation that is used to calculate the target rent.
83	For each of the five years following transfer, the increase for existing non-utility services will not increase by more than inflation plus 0.5%, based on the current level of provision.
84	Where the landlord's costs of providing services were included in the net rent payable before the transfer date, unless required by law or by the regulator to include the cost of these services in the service charge, they will not be charged separately.
85	A. Extended interest free period of 24 months to repay major works costs invoiced in the first five years following transfer. B. For those that are still unable to meet the costs of these, or any future major works, Merton Priory Homes will also commit to reviewing individual circumstances and ability to pay, with a view to extending terms of payment

	<b>Completed promises</b>
	where financial hardship would be caused. C. Extended payment terms would not be available to non-resident leaseholders.
86	A five year service charge guarantee. It will not increase the charge for existing non-utility services by more than inflation plus 0.5% during this period.
87	A. To seek to mitigate VAT costs. B. To seek to use the potential advantages of any 'VAT shelter' that could be put in place to minimise the costs to leaseholders.
89	<b>ANTI-SOCIAL BEHAVIOUR:</b> Merton Priory Homes would ensure the following: <ul style="list-style-type: none"> <li>• Its residents would be made aware of their responsibilities and staff would be equipped to deal with cases. Staff would use a victim centred approach, using professional witnesses, when needed.</li> <li>• It would work in partnership with other agencies to deliver a joined up approach, signing up to and adhering to the Government's RESPECT agenda for Housing Management.</li> <li>• Lettings would be appropriate and starter tenancies would be used that would give clear messages at sign up (before a tenant moves into their home) about their responsibilities.</li> <li>• Advice and mediation services would be offered, where needed, to support residents in resolving disputes.</li> <li>• All complaints received would be investigated within published timescales and all reported incidents would be recorded.</li> <li>• All offensive and discriminatory graffiti would be removed within 24 hours of being notified.</li> <li>• Victims would be supported in their own homes by working closely with partners such as the police and meeting all data protection and confidentiality requirements.</li> <li>• There would be investment in mobile CCTV to tackle anti-social behaviour hotspots.</li> <li>• Consultation would be undertaken on the possibility of changing the hours of neighbourhood wardens to work from 4pm - 11.30pm, introducing two new mobile community wardens to work at weekends across the borough, and providing residents living on the Elm, Eastfield and Laburnum estates with their own neighbourhood warden.</li> </ul>
90	<b>METHODS TO PAY RENT:</b> <ul style="list-style-type: none"> <li>• Using the Allpay system.</li> <li>• At a Post Office.</li> <li>• By credit or debit card.</li> <li>• By post.</li> <li>• By direct debit.</li> <li>• By standing order.</li> <li>• Using the internet.</li> <li>• At Merton Priory Homes' office.</li> </ul> These methods would be kept under review and new methods introduced, where appropriate, after consultation.
91	A. Merton Priory Homes will work with Merton Council in allocating homes. B. The council, via the Housing Register, will continue to operate a tenants' transfer scheme

List of promises still in progress

Appendix B

	Promise	Comment
3	<p>To meet the Merton standard by 2015.</p> <p>A. Procure contracts to meet 'Merton Standard'</p> <p>B. Programme of works (published).</p> <p>C. Programme of works completed.</p>	<p>The following components have been replaced since transfer:</p> <ul style="list-style-type: none"> <li>- 1000 Kitchens</li> <li>- 1036 Bathrooms</li> <li>- 258 Central heating systems</li> <li>- 1287 Boiler installations</li> <li>- 458 Window replacements</li> <li>- 506 Door replacements</li> <li>- 1362 Electrical upgrades / rewires</li> <li>- 1563 Periodic Electrical Testing</li> </ul> <p>A. Contract has been procured and UHL appointed as Service Provider Partner to the Merton Standard</p> <p>B. 2014-15 and 2015-16 programmes are currently being finalised and will be published.</p> <p>C. Programme of works to be completed by the 31<sup>st</sup> December 2015</p>
Page 73 <sup>4</sup>	<p>All homes with a shared main entrance to have a fully integrated door entry system.</p>	<p>Block surveys have been completed and these have identified that 97 door entry systems are required.</p> <p>A programme is to be developed with delivery starting in 2014/15. In the initial period after transfer CHMP has prioritised improving and maintaining existing systems.</p>
5	<p>A. External decorations for small blocks and street properties prioritised to be completed within the first two years following transfer.</p> <p>B. Full external decorations programme within 5 years.</p> <p>C. Invest £5 million to undertake a programme of regular external repairs and decoration to communal areas to keep all properties in good condition.</p> <p>D. Install a rainwater storage butt where access to a garden and suitable rainwater downpipe.</p>	<p>A. Work programme continuing with final properties to be completed in Summer 2014</p> <p>B. External decorations programme developed, majority of work to be completed as part of the block programme</p> <p>C. Provision included within annual budgets to meet identified requirements</p> <p>D. Communication and programme to be reviewed due to low level of take up</p>
6	<p>A. Fences and gates to be repaired or new fencing erected where needed, and works to improve paths and hedges where needed, to be paid for from a budget of £500,000 in the first 10 years.</p> <p>B. Replacement fences and gates to match existing (or changed</p>	<p>A. Provisions included within annual budgets to meet identified requirements. Replacements and renewals being delivered by Keepmoat and UHL. To date fencing works has exceeded the £500,000 budget originally agreed within the first 10 years.</p>

	<b>Promise</b>	<b>Comment</b>
	<p>following consultation to something that fits in better with the surroundings and location)</p> <p>C. All timber to originate from a certified sustainable source</p>	<p>B. New standard being implemented to reflect customer requests utilising close boarded fencing with posts and gravel board which are 25 year rot resistant.</p> <p>C. All timber used by suppliers is Forestry Stewardship Council (FSC) certified.</p>
7 Page 74	<p>Energy Efficiency</p> <p>A. provide extra insulation to improve the SAP rating</p> <p>B. loft insulation</p> <p>C. low energy light fittings, where suitable.</p> <p>D. movement/PIR sensors on lights in communal areas to reduce energy usage and service charges</p> <p>E. energy efficient boilers, modern efficient controls and thermostatic radiator valves</p> <p>F. double glazing for all new windows</p> <p>G. support and information about energy efficiency measures at sign up</p>	<p>A. Energy Companies are finalising the details of the new ECO programme, early indications are that funding will significantly reduced compared to previous programmes. Loft and wall insulation has been installed at 363 properties</p> <p>B. Loft insulation installed at 99 properties in addition to above.</p> <p>C. Low energy light bulbs have been provided to customers.</p> <p>D. This requirement is being developed in conjunction with the estate and block investment requirements</p> <p>E. 1,287 boilers installed to date</p> <p>F. 458 properties fitted with PVCu double glazed windows. All new doors / windows are energy efficient where permitted</p> <p>G. Energy-saving advice is provided to new customers at the beginning of their tenancy and continues with regular updates throughout their tenancy</p>
9	<p>Front and rear security lighting for street properties.</p>	<p>Work has been completed where street properties have been rewired and this programme is part of the works package going forward.</p>
11	<p>Leaseholders to be given the opportunity to choose to have some, or all, of the same works carried out to the interior of their homes at the same time (as tenants in the programme).</p> <p>Leaseholders to be charged separately for this work and in addition to any charges for block or estate works.</p>	<p>Keepmoat and UHL are required to offer services to Leaseholders on equivalent rates as a direct service arrangement between the Leaseholder and the Service Provider Partner.</p>
40	<p>A. A customer advocate scheme to support vulnerable people who wish to make complaints.</p> <p>B. Mystery shopping, to drive up standards and make improvements.</p> <p>C. Independent resident inspectors to improve services and quality of works carried out outside their own neighbourhood.</p>	<p>A. Further to the meeting held with the Resident Inspectors, they have agreed to take on the role of customer advocates and this has been added to their terms of reference. Specific training is being developed on this advocacy role.</p> <p>B. Shoppers were recruited and trained and a programme of mystery</p>

	<b>Promise</b>	<b>Comment</b>
	<p>D. Involve residents in procurement processes.</p> <p>E. Involve residents in the recruitment of key new staff.</p>	<p>shopping has been in place since year 1 of transfer.</p> <p>C. As a pilot project the Resident Inspectors' first investigation looked at the operations of the Large Estate Allocation Fund (LEAF) scheme. Many of their recommendations have since been implemented. We are currently reviewing how the Resident Inspectors can be used to support estate inspections and the mystery shopping programme, inspect works carried out under resident-led budgets, and monitor grounds maintenance work.</p> <p>D. Complete (eg procurement of repairs contracts)</p> <p>E. Complete – they are involved in the appointment of all customer facing staff</p>
46	<p>Improved community safety measures: New or improved external lighting (on timers or daylight sensors where not currently fitted) to be installed across estates on a rolling programme, where needed.</p>	<p>This requirement is being developed in conjunction with the estate and block investment requirements.</p>
Page 75 88	<p>Improve the day-to-day repairs service by:</p> <ul style="list-style-type: none"> <li>• Answering 99% of calls to the repairs helpline within 15 seconds and reducing the number of abandoned calls to less than 1%.</li> <li>• Exploring online services for self-diagnosis and raising repairs through the internet.</li> <li>• Offering specific two hour appointment timeslots where possible.</li> <li>• Ensuring that the repairs service is easily accessible, providing translation, interpretation and support services for people with special needs where it is needed.</li> </ul> <p>Emergency repairs 12 hours. For example, gas leaks, dangerous electrical faults, burst pipes, total loss of heating.</p> <p>Urgent repairs 3 working days. For example, leaking roof and completion of temporary repairs to faulty space and water heating appliances.</p> <p>Routine repairs 7-60 working days, depending on the type of work and whether some parts need to be ordered. For example, internal plaster repairs, renewal/unblocking of rainwater pipes/gutters</p>	<p>The customer contact centre continues to work towards the targets set out in the transfer agreement, with a comprehensive improvement plan in place we have seen a steady reduction in the average wait time for a call to be answered and the abandonment rate.</p> <p>Customers are able to raise a repair through the website</p> <p>Two hour time slots are offered on all repair requests.</p> <p>Translation services are offered by the CST and Keepmoat contractors.</p> <p>Higher priority can be allocated where a customer is particularly vulnerable</p> <p>Keepmoat have also started a text service to notify residents.</p> <p>Emergency repairs are now attended by the operative within a 4 hour time slot.</p> <p>Urgent repairs are 3 working days</p> <p>Non urgent repairs are 28 calendar days</p>

## Transfer agreement – financial commitments from MPH to LBM

Description	Amount £	Year 1 - 2010/11	Year 2 - 2011/12	Year 3 – 2012/13	Year 4 – 2013/14
Council's pre- and post-ballot set up costs (One –off)	<b>2,097,970</b>	Paid on 14/06/10.	N/a	N/a	N/a
Equipment transferred to MPH (One–off)	<b>34,147</b>	Paid on 14/06/10.	N/a	N/a	N/a
Accommodation related costs (One–off)	<b>16,657</b>	Paid on 14/06/10.	N/a	N/a	N/a
Fee for continued access to Home Connections (choice based lettings system) (Annual)	Percentage of annual bill, (dependant on % of MPH properties advertised)	<b>£14,688</b> Paid on 17/08/10.	<b>£12,645</b> paid for year 2 contribution.	<b>£11,162</b> paid for year 3 contribution.	<b>£9,888</b> paid for year 4 contribution
Payment for rent arrears (two instalments)	<b>605,683</b>	Paid on 03/08/10 and 25/11/10.	N/a	N/a	N/a
Right To Buy clawback (quarterly when properties sold)		Eight properties sold. LBM share was <b>£990,250</b> (all received).	Six RTB properties sold and one “staircase” payment. LBM share = <b>£655,136</b> (received).	Twelve RTB properties sold. LBM share = <b>£861,131</b> (received).	32 RTB properties sold Q1 – Q3. LBM share = <b>£1,735,074</b> (received).
Payment for service charge arrears	70% of amount collected	Negotiations ongoing over alternative payment methodology. <b>£141,000</b> paid on account for all service charge debts	Agreement reached to make a “one-off” final payment. MPH/LBM finance teams reconciling final amount.	Final amount has been reconciled and the legal Deed of Assignment completed in February. Payment of <b>£738,378</b> received 05/03/13	N/a
Payment for ongoing service charge collection on major works schemes due to LBM		Negotiations ongoing over payment.	Agreement reached to make a “one-off” final payment. MPH/LBM finance teams reconciling final amount.	As above.	N/a
VAT shelter (Half-yearly, payable by 28/4 and 28/10.)	LBM will receive 100% of the savings achieved through the VAT shelter scheme.	<b>£450,412</b> received for Year 1	Total Year 2 payment of <b>£5.214m</b> (received)	Total year 3 payment of <b>£3.045m</b> (received)	Half-yearly payment received in October for <b>£473,436</b>
Rent for 328 London Rd (MTRF office) (4x Quarterly payments)	<b>7,500</b>	<b>£7,500</b> Received.	<b>£7,500</b> Received.	<b>£7,500</b> Received.	<b>£7,500</b> Received.