

Agenda Item: 14

Housing Review Board

25 June 2009

SB



Business Overview Benchmarking

Summary

We have recently completed a comprehensive benchmarking exercise to compare our costs, resources and performance with other stock holding local authorities. We have used the HouseMark benchmarking product which is widely used in the housing sector, and through which inputs are carefully validated to ensure comparisons with our peers can be relied upon.

The results of this exercise enable assessment of the efficiency and value for money provided by our housing management services when compared to other social landlords. Our initial assessment is that in most areas measured our activities are comparing well with our peers.

Recommendation

To consider and comment upon the results of the benchmarking exercise.

a) Reasons for Recommendation

To inform the Housing Review Board on comparative costs, resources and performance of the housing management service provided by the Council relative to our peers.

b) Alternative Options

To receive less detailed reports on our housing activities.

c) Risk Considerations

That the Board is not well informed of our performance relative to our peers, and therefore its ability to recommend improvement actions is limited.

d) Policy and Budgetary Considerations

The analysis of the results will inform future policy and budgetary decisions.

e) Date for Review of Decision

One year.

1. Introduction

1.1 As subscribers to HouseMark we have access to a benchmarking facility, plus a range of other products relating to good practice and information sharing.

1.2 HouseMark's benchmarking facility compares the costs, resources and performance of participating, subscribing local authorities, ALMOs and RSLs. This enables subscribers to assess their efficiency and judge whether their services are of a good quality and represent good value for money.

1.3 On this occasion we have chosen to benchmark with 28 other stock holding local authorities, including ALMOs, as this is a comparison that we have not considered before, and has only just become available through HouseMark.

2. Business Overview benchmarking

2.1 We submitted details of our costs, resources and performance for the financial year 2007/8 in July 2008, and now that the validation process is complete we can compare:

- Overheads
- Capital works and planned maintenance
- Responsive repairs and voids re-servicing
- Housing management
- Estate services
- Supported housing and supporting people
- Development
- Other

2.2 I have reproduced the introduction and overview of the benchmarking report in **annex 1**. The full report which runs to 47 pages is available on request. This provides us with key information which will be useful to us in a number of ways, to satisfy the Audit Commission that we are taking their recommendations to strive for efficiency and value for money seriously, and will help us meet the expectations of the Tenant Services Authority (TSA) which will become our regulating body from April next year.

2.3 It can be seen from the data in the summary in paragraph 2.1 of the report that our performance compares well in most areas of activity measured with our peers. We have 7 activities that have been benchmarked in the upper quartile; 3 in the middle upper quartile; and 5 in the middle lower quartile.

2.4 I am keen to better understand the reasons for our relatively poorer performance in the activities falling in the middle lower quartile. Some we are aware of and have improved since 2007/08 such as the average time to relet empty properties and rent arrears, others warrant an investigation.

2.5 The report will also usefully feed into service planning, budget setting and efficiency reviews, as well as further performance reporting to the Housing Review Board.

2.6 To help us use this information to achieve efficiency gains and continuous improvement the Housing Service Management Team are meeting with HouseMark later this month to scrutinise this report and determine the best way to use the information to identify opportunities and priorities for improvement. I will report to you again with progress over the coming months.

2.7 We are making more use of benchmarking to compare our performance with peers and identifying areas of housing activity where we need to look carefully at why we are not achieving the performance levels of the best in the sector. Benchmarking itself does not provide these answers, but the technique can usefully highlight where we need to focus our attention and efforts to improve performance.

Legal Implications

There are no legal implications highlighted.

Financial Implications

There are no financial implications arising from the recommendations.

Consultation on Reports to the Executive

Passed to HRB Champion of the Housing Strategy Unit for information.

Background Papers

- HRB benchmarking report September 2007.

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