

PERFORMANCE MANAGEMENT–QUARTER TWO REPORT 2022/23

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report presents a summary of performance for quarter two 2022/23, from key performance measures reported to Derby City Council.
- 1.2 Results are usually assessed using traffic light criteria, according to their performance against improvement targets. Accountable Officers have provided commentary to put performance into context, identifying improvement actions that they are taking and to update year end forecasts, as shown at Appendix 1.

2. RECOMMENDATION

- 2.1 To discuss and note the 2022/23 quarter two performance trends.

3. REASON(S) FOR RECOMMENDATION

- 3.1 The Board of Derby Homes has delegated responsibility to the Operational Board for the management of Derby Homes' performance measures. This report provides information to enable the Operational Board to carry out this responsibility.

4. MATTER FOR CONSIDERATION

- 4.1 Performance monitoring underpins Derby Homes' performance framework in terms of reviewing progress regularly in achieving our priorities and delivering value for money. Early investigation of variances enables remedial action to be taken where appropriate.
- 4.2 The contents of this performance report and supporting appendices is based on priority measures as approved by the Board and contained in the Delivery Plan 2022/23. This incorporates 35 priority measures reported on a monthly/quarterly basis and 44 in total. At Quarter two 77% of measures either met or exceeded target, with the forecast that 81% of measures will meet or exceed year end targets.
- 4.3 **Performance Monitoring 2022/23 Quarter Two**
 - 4.3.1 Level 1 and 2 performance measures within Derby Homes' Delivery Plan are monitored through DORIS, the Council's performance management system for monitoring and reporting on performance. The traffic light criteria used by DORIS is as follows:
 - **Blue** – performance above target by more than 10%
 - **Green** – performance between 2% below target and 10% better than target

- **Amber** – performance between 2% and 10% below target
- **Red** – performance more than 10% adverse of target

4.3.2 Summary performance results (where data is available) as approved by the Board and contained in the Delivery Plan are as follows:

September 2022	Target Status Q2 performance	Forecast Status Q2 performance
Blue	15% (4)	15% (4)
Green	62% (16)	67% (18)
Amber	12% (3)	4% (1)
Red	12% (3)	15% (4)
No target	9	11
Annual Collection / NA	9	6

Percentages may not add up to 100% due to rounding up

The performance measures highlighted as red are:

- DH SAT PM04 Satisfaction with new home (new build and re-let) - actual 82.3% against a target of 93%, and now forecast to be miss year-end target (93%)
- DH CS PM11 (New) Percentage of closed stage 1 complaints escalated to stage 2 during the quarter, actual 8.2% against a target of 5%
- DH NH PM01 Number of new homes started in year (HRA & DH) - forecast 40 but target is 60 for year-end
- DH NH PM02 Number of new homes delivered in year (HRA & DH) - forecast 40 but target is 60 for year-end
- DH AM PM01 Percentage of non-decent council homes - actual and forecast 0.6% against target of 0%
- DH HR PM01 Average working days lost due to sickness absence - actual 11.2 against target of 8.75

The performance measures highlighted as amber are:

- DH NH PM03 Number of new affordable homes delivered since 2008, forecast 680 but target is 709 for year-end.
- DH R&RA PM01a Rent arrears of current tenants as a percentage of rent roll, actual 4.4% against a target of 4.0 % but forecast to be on target at 3.7%
- DH R&RA PM01a Total arrears as a percentage of rent due, actual 6.2% against a target of 5.8 % but forecast to be on target at 5.4%
- DH R&RA PM02 Rent arrears of current tenants, actual £2,609,353 against a target of £2,378,941 but forecast to meet year-end target of £2,200,000

4.4 Key areas to note

4.4.1 Satisfaction

At quarter two, seven out of eight satisfaction measures are meeting quarter two targets and forecast to meet year-end targets.

Satisfaction with;

- The new measure 'Tenant satisfaction with listened to my feedback', replacing 'Views taken into account,' continues to exceed quarterly targets and forecast to exceed year-end target (86% against 75%)
- Satisfaction with new home is the only measure off target for this quarter (82.3% against 93% target). It is also now forecast to miss the year-end target of 93%.

4.4.2 Customer Services

- Both new percentage of closed stage 1 and stage 2 complaints responded to within timescale measures are on target for this quarter
- The total number of tenants registered to My Account on-line this quarter is 8128 up from 8030 last quarter. The forecast for year end is 8500.

DH CS PM11 Percentage of closed stage 1 complaints escalated to stage 2

- Missing Q2 target at 8.2% against 5% (Red 9 complaints escalated)

ACTIONS

Although complaints escalated to stage 2 in Q2 have increased, this is in line with our ALMO) national benchmarking groups trend. Locally some of the factors contributing to this include increasing customer expectations and changes in the new Complaint Handling code. The code states that; "If all or part of the complaint is not resolved to the resident's satisfaction at stage one, it must be progressed to stage two of the landlord's procedure"

During Q2 we closed 6 Stage 2 complaints, 0 were upheld and 3 was partially upheld and 3 were not upheld. So overall our performance is fair but we acknowledge that we need to continue with our monitoring and improvement in this area.

4.4.3 New Homes

- DH NH PM01 Number of new homes started in year (HRA & DH)
- DH NH PM02 Number of new homes delivered in year (HRA & DH)

Starts and delivery of new homes have slippage on year- end forecasts.

There were 22 Starts on Site (SoS) schemes in Q2 including 5 acquisitions from the market. 12 new build bungalows were from an off the shelf package deal with Keepmoat Homes in Osmaston and 5 houses were through a s106 purchase from Taylor Wimpey in Sinfin.

ACTIONS

The SoS for inhouse newbuild of two 4 bed homes at Whittaker St is now expected in early Q3. Inhouse staff are on site building at Cummings St (4 two bed houses) due in Q4 22/23; special needs bungalow on Berwick Close is due late October Q3.

17 external newbuild purchased units at Osmaston (12) and Sinfin (5) are due in Q4 a potential of 22 additional new build homes due in stock for 22/23.

- DH NH PM03 Number of new affordable homes delivered since 2008

Slight slippage on Q4 forecasts, 680 compared to the 709 target. 17 new build purchases from private developer packages and S106 at Osmaston and Sinfin. Supply of projects leads strong delivery plus Cummings St and Chesapeake Rd due mid 23/24. Schemes at Crompton, Paterson and Barlow Sts, Grange and Oaktree Ave all have planning permission and being readied for SoS. Oaklands Ave (6) and Spring St/Abbey Ward (9) are in the pipeline for Q3.

ACTIONS

While acquisitions remain key, building new homes continues to be challenging, affected by global supply chain problems, labour issues driven by the cost-of-living crisis and post covid jobs market.

There are also now problems with the local building control services leading to delays in drawings and drafts being authorisation such as Grange Avenue civil engineering package now due Summer 23 instead of Q1. A new building control post will review and approve Barlow St drawings and work to address issues and monitor the situation continues with our building control services.

4.4.4 Rent and Rent Arrears

DH R&RA PM01 Rent arrears of current tenants as percentage of rent roll

- For quarter two rent arrears as a percentage of rent roll is 4.4%, short of the target of 4.0% and amber but forecast to meet year-end target of 3.7%

Rent arrears continue to increase following the national trend. With the cost-of-living crisis meeting our original 22/23 targets will be a challenge. Financial support to tenants is available through our Income Teams, Welfare Reform Team, and Money Advice Team (maximising tenants' income with support for benefit claims and other grants). Arrears are increasing at higher levels than nationally, but due to timing differences around rent free weeks and direct debit collections and strict comparison is difficult to compare.

DH R&RA PM 01a Total arrears as a % of rent due

This measure is at 6.2% against a quarter two target of 5.8% and amber.

Both current tenant and Former Tenant Arrears have risen as we would expect.

We have now switched to a new debt collection agency for former tenant arrears collection meaning income should start to flow from their efforts to collect former arrears. Write offs are being completed monthly to keep on top of arrears. We expect this year this figure is going to be heavily influenced by current arrears levels at the end of the year.

DH R&RA PM02 Rent arrears of current tenants

- The current rent arrears figure for quarter two is £2.609m against a target of £2.378m and has risen by over £155,646 in the last month but we are forecasting the year-end target of £2.2m will be met.

There are a number of factors behind the increase. These include the cost-of-living crisis, rising numbers of universal credit claimants (12 a week approx.) and delays in

receiving the first rent payments of universal claimants. Also, monthly direct debit levels are set at levels to include rent free weeks, which are towards the end of the year, meaning there are some technical arrears in these figures. Household Support Fund provides some support to tenants. Key will be tenants paying during rent free weeks at previous levels. If they do, then the year-end target is likely to be met.

DH R&RA PM05 No. of tenants evicted as a result of rent arrears

- There have been no evictions during September so far there have been only 3 evictions carried out since the beginning of April (Blue) against our target of 18 for Q2.

Although the introduction of APA's has helped reduce the number of warrants being requested, it is expected that the number of evictions will start to increase as the year progresses but so far, the increase in numbers cannot be seen yet.

4.4.5 Building Safety (Property Compliance measures)

- All our safety compliance measures are on target at quarter two and forecast to meet year-end targets

4.4.6 Empty Homes

DH EH PM 01 Average time taken to relet local authority housing (days)

- The re-let figure for this quarter is 18.6 days and exceeding Q2 and year end targets (blue). We are maintaining good performance from last quarter.

DH EH PM02 Percentage of rent lost through dwellings becoming vacant

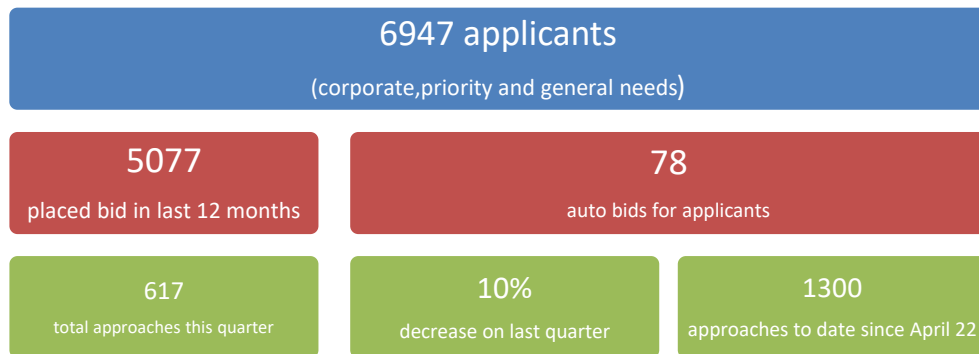
Q2 performance is at 0.79% and exceeding Q2 and year-end targets of 0.9%

4.4.7 Housing and Advice

Applications and approaches

- As of 30 September 2022, there were 6947 active applications across the housing register in the Corporate Needs, Priority Needs and General Needs band.
- 5077 of these have placed a bid in the last 12 months, this includes 78 auto-bids for applicants.
- There are also 2099 'open to all' applications registered with 304 of these bidding in the last 12 months. This equates to 73% of active applicants who have placed a bid in the last 12 months.

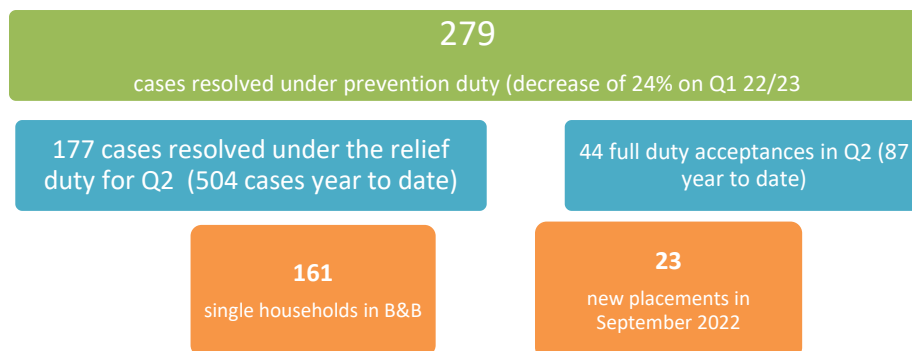
The total number of approaches for quarter one is 617, this is a 10% decrease since last quarter (683) The year-to-date figure is 1300. There is a refocus of the rough sleeping services to prevent homelessness often as a reoccurring event so supporting individuals to successfully maintain accommodation offered.



Preventions and acceptances

- There have been 504 cases resolved under prevention duty year to date, with 279 cases resolved in Q2.

This is an increase of 24% on Q1 and is indicative of the prevention work that is being carried successfully almost despite the increasingly difficult housing markets. There is a continuing focus on prevention with families and a refocus of rough sleeper services to concentrate on prevention for individuals who often find it difficult to maintain a tenancy or alternative accommodation.



- There were 177 cases resolved under the relief duty in Q2 and 349 year to date, a marginal increase of 5 cases. Targeted work to resolve homelessness is done before a full homelessness duty is needed to be accepted. The Move placements co-ordinator has been effective in working with providers in moving single homeless people into suitable accommodation and there has been a refocus on prevention and relief with families.
- There were 44 full duty acceptances in this quarter up 1 on last quarter with 87 year to date.

Decisions can only be made after a minimum 56 days in relief duty and often a period in prevention before that. Approaches have been in the previous 2 quarters with small increase in full duty acceptances and underlines the successful work in preventing and relieving homelessness.

Bed and Breakfast and Temporary Accommodation

- There have been 161 new single placements in bed and breakfast since April, with 23 placements in September. This is 5 fewer than in August which saw a higher-than-normal number of placements. There has been a reduction in single homeless approaches this month with more vacancies created from move on, single households have been moved directly into alternative accommodation rather than B&B.
- There have been 121 new families placed in bed and breakfast since April, with 26 placements in September. This is an increase of 5 on August which saw a higher-than-normal number of placements.

There is a national shortage of suitable, affordable, longer-term housing, especially for homeless households and this is also the case in Derby.

ACTIONS

We have used direct lettings to move households on from temporary housing to create vacancies for homeless households. We are also looking at different options to increase the amount of housing stock including the private and social sectors.

- There have been 97 new households placed in temporary accommodation other than bed and breakfast since the beginning of April with 19 of those placements occurring in September which is 2 more than August. With fewer DCC temporary accommodation vacancies 6 more households were placed in nightly paid self-contained accommodation.

Housing Options Service

The wider HO Team continues to see increasing demand for our service. The PRS market continues to be extremely competitive with landlords having their pick of tenants. We have seen an increase in CB4YS cases, these have resulted in positive early preventions of homelessness.

ACTIONS

Two PRS case workers continue to work alongside the 'on duty' homeless team, targeting early intervention/prevention work. One case worker is dedicated to move on from emergency accommodation provision. We have created a 'tenancy ready' course and are encouraging attendance.

We will have to continue with an increased offer to landlords as the market rents in Derby are much higher than LHA rates, this coupled with fuel costs rising and the cost-of-living crisis make PRS tenancies unaffordable for many of our customers without financial assistance from the local authority. Derby Homes have identified funding to deliver a Vulnerable Renters Scheme for the next 6 months, this will be delivered by the PRS.

Families with dependent children placed in bed and breakfast for over 42 days

- There were 3 families living in bed and breakfast at the end of the month where the stay exceeded 42 days.
- We are exploring all options to move households out of alternative temporary accommodation so that our use of bed and breakfast is limited.

This includes trying to increase the amount of longer-term housing in both the private and social rented sectors. However, there is a national shortage of affordable housing

especially for households who are reliant on benefits with landlords leaving the private rented markets or being able to demand much higher rents.

4.8 **AM PM01 Percentage of non-decent council homes**

- We have 70 properties at Bretton Avenue identified with structural defect on the roof structure.
- We are currently assessing a range of options to tackle this issue; discussions are currently underway with the local community to agree a way forward.

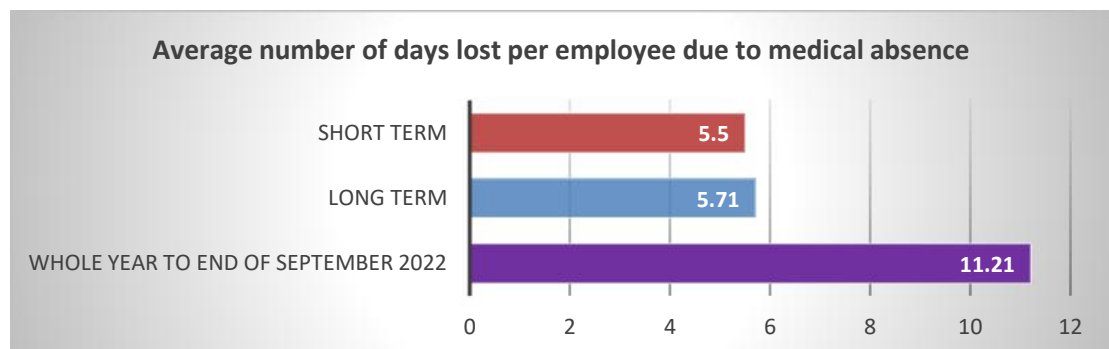
4.9 **DH AM PM02 Energy Efficiency-average SAP rating of dwellings**

- The Average SAP for the stock is currently at 78.8 and forecast to meet year-end target.

4.10 **HR**

DH HR PM01 Average working days lost due to sickness absence

- Overall, at the September 2022 point, days and hours lost per employee rates have improved compared to the same period last year for both long-term and short-term medical absences.
- However, there are still a small number of very high long-term absences which drive the overall rate to 11.2 days lost.
- The other key factor behind the high levels of medical absences is the increase in stress and anxiety in mental health category but our employees get the appropriate advice, care and support required to promote and maintain their well-being.



5. **OTHER OPTIONS CONSIDERED**

5.1 Not applicable

IMPLICATIONS

6. **EQUALITIES IMPLICATIONS**

6.1 The performance measures and wider performance framework provide information regarding outcomes for vulnerable and equality groups.

The areas listed below have no implications directly arising from this report:

Consultation
Financial and Business Plan
Legal and Confidentiality
Council
Personnel
Environmental
Equalities Impact Assessment
Health & Safety
Risk
Policy Review

If Board Members or others would like to discuss this report ahead of the meeting please contact:

Kas Sahota/ Improvement Support Officer / 01332 643481 / kas.sahota@derby.gov.uk

Background Information: Appendix 1 - Quarter 2 Performance report
Appendix 2 – Performance Summary (CMIS only)

Supporting Information: none

This report has been approved by the following officers:

Director of Finance and Company Secretary Company Solicitor Head of Service (Operational Board reports) Head of Housing Management Other(s)	Michael Kirk	17.11.2022
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