

PERFORMANCE MANAGEMENT- QUARTER TWO 2023/24

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report presents a summary of the performance for quarter two 2023/24, from key performance measures (Level 2 KPIs), reported to Derby City Council.
- 1.2 At the end of 2023/24, all performance measures were reviewed by Derby Homes' Senior Management Team to ensure they aligned to the new consumer standards. As a result, a range of new measures, including Tenant Satisfaction Measures, have been introduced for 2023/24 and several measures from 2022/23 have been archived.
- 1.3 The performance for quarter 2, covering the period of June 2023 to September 2023, can be found in paragraphs 4.4 and 4.5. Accountable Officers have provided commentary to put the performance into context, identifying improvement actions that they are taking to address known challenges, as shown at Appendix 1.

2. RECOMMENDATION(S)

- 2.1 To discuss and note the performance for quarter two, 2023/24.
- 2.2 Effective from April 2023, all social housing providers in England must collect data on a new set of measures to assess how well social housing landlords are doing at providing good quality homes and services.

There are 22 TSMs in total, covering five themes: keeping properties in good repair, maintaining building safety, respectful and helpful engagement, effective handling of complaints and responsible neighbourhood management.

12 measures (TP01 – TP12) are measured by a tenant perception survey and the remaining 10 are measured by landlords directly. For reporting purposes, each TSM is split out into Derby City Council (DCC) and Derby Homes (DH) housing stock because separate statutory returns are required for the different housing stock.

As the methodology for TSMs is different to previous performance measures, there is no comparable data to support analysis. Reports are being developed and definitions are being confirmed, to ensure that we have a full set of automated reports ahead of the statutory return deadlines.

3. REASON(S) FOR RECOMMENDATION

- 3.1 Performance reporting enables us to monitor our progress against plans. 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(S) FOR CONSIDERATION

- 4.1 Performance monitoring underpins Derby Homes' performance framework in terms of reviewing progress regularly to achieve our priorities and deliver value for money. Early investigation of variances enables remedial action to be taken where appropriate.

- 4.2 In March 2023, the Board of Derby Homes approved the deferral of a published Delivery Plan for 2023/24 until November 2023. The deferral will ensure continued alignment with Derby City Council's Delivery Plan and allows time for a refreshed Derby City Council Delivery Plan to be developed for 2023/24, in collaboration with the new Labour administration.

The contents of this performance report and supporting appendices are based on priority measures as approved by the Board of Derby Homes and those contained in the Delivery Plan 2022/23. For 2023/24, there are 70 priority measures reported on a monthly, quarterly, annual, or biennial basis.

4.3 Performance monitoring quarter two, 2023/24

Level 2 performance measures within Derby Homes' Delivery Plan are monitored through DORIS, which is the Council's performance management system for performance monitoring and reporting.

2023/24 targets have been approved; this report provides quarter two's performance against expectations. 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

- 4.4 Of the 7 measures with a target, at quarter two, 71.42% (5) met / exceeded them. This is a 5.58ppt decrease compared to the 2022/23 performance of 77%, when 20 out of 26, met / exceeded target.

Summary performance results as approved by the Board, and contained in the Delivery Plan are as follows:

Status	Performance against year-end target at quarter 2	
	2023/24	2022/23
Blue	43% (3)	15% (4)

Green	43% (3)	67% (18)
Amber	0% (0)	4% (1)
Red	14.3% (1)	15% (4)
No target set	15	11
Annual Collection/NA	6	6
Total measures	28	44

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

Key areas to note.

Customer Service

4.5

4.5.1

There is one new customer service measure for 2023/24, and four measures that were monitored in 2022/23.

- Average working days lost due to sickness absence (DORIS reference – DH CS04) - during quarter 2 2023/24, 9.4 working days were lost due to sickness absence, which is an improvement of 0.2 working days when compared to quarter 1 2023/24 and a 1.8 working days improvement on Q2 last year. In September 2023/24, the number of days lost per employee for medical absences was 0.78, up slightly 0.07 compared to last quarter and up from 0.68 in the same period last year (up 15%).

- **Long-term sickness** - During September 2023, the number of days lost per employee for long term absences was 0.48 compared to 0.40 for the same period last year. In September 2023, a total of 2208.40 hours were lost due to long term absence compared to 1875.70 for the same period last year. In total, over the last 12 months, 26521.93 hours and 5.76 days lost, have been lost to long term absence.
- **Short-term** - During September 2023, the number of days lost per employee for short term absences was 0.30 compared to 0.28 for the same period last year. In September 2023, a total of 1430.13 hours were lost due to short term absence compared to 1317.78 for the same period last year. In total, over the last 12 months, 16965.32 hours have been lost to short term absence and 3.65 days.

-Number of Complaints upheld by the Ombudsman (DORIS reference - DH CS01) – in quarter 2 2023/24, there were no complaint determinations received from the Housing Ombudsman, which corresponds with zero in quarter 1 2023/24.

-Cases upheld by Local Government and Social Care Ombudsman (DORIS reference DH CS05) – there were no cases upheld in September 2023/24 but 1 in August, so this is the figure for Q2. This is a new measure for 2023/24 and baseline data will be built-up over the year to help ascertain performance and targets.

-Percentage of closed stage 1 complaints responded to within timescales (DORIS reference – DH CS02) – in quarter 2 2023/24, 91% were responded to within timescale, compared to 96.3% quarter 1 2023/24.

-Number of tenants registered for My Account online (DORIS reference – DH CS03) – during quarter 2 2023/24, 76 new customers signed up to My Account bringing the total to 8,457 up from 8,381 last quarter. This is an additional 329 registrations when compared to quarter 2 2022/23.

New Homes

4.5.2 **-Number of new homes started in year** (DORIS reference DH NH01) – In quarter 2 2023/24, there were 12 new homes started, mainly acquisitions rather than new builds. This is up from last quarter (3) but fewer than in quarter 2 2022/23 (22), -No newbuild starts on sites are expected until Q4 (Cricklewood Rd & Falcon Way delivery by the Capital Works Team under the current indicative recovery programme). Preparatory work is due on the sites at Monyash (Q3), which was delayed due to procurement issue and Cricklewood/Falcon (Q4). Forecast is 80 against a yearend target of 28.

-Number of new homes delivered in year (DORIS reference DHNH02) – 16 new homes were delivered in quarter 2 2023/24, compared to 8 last quarter and 5 in quarter 2 2022/23. As with start on sites, completions are mainly the 12 acquisitions plus the four newbuild 2 bed units at Cummings Street completed at the end of August. The 8 units at Chesapeake Rd subject to delay due to drainage design and vandalism pushing back completion to Q4 of this financial year. Forecast is 106 against a yearend target of 86.

-Number of new affordable homes delivered since 2008 (DORIS reference – DH NH03) – At the end of quarter 2 2023/24, the outturn was 694 homes compared to 678 at the end of last quarter and 659 at Q2 2022/23, Q2 overall, 12 acquisitions and just 4 new build completions making a positive impact on delivery. Due to units at Monyash Close (1) delayed until Q3, Chesapeake Rd (8) delayed until Q4. Units under the DH programme recovery plan at various sites will deliver in Q3 and Q4 and continue into 2024/25. Forecast for 2023/24 is 784 against a target of 756.

-Satisfaction with new home (DORIS reference DH NH04) – Customer Satisfaction remains above target this month at 88.90% against the 81% target. Over the last 12 months, satisfaction has improved by 6.65%, from 82.25% in quarter 2, 2022/23. The Empty Homes Coordinator is working closely with the four service areas involved in the empty homes process (Housing Options, Housing Management, Voids team and Capital Works Team). More scrutiny and accountability of different service areas has been introduced to improve performance and to increase customer satisfaction with their new homes.

-Energy Efficiency – average SAP rating of dwellings (DORIS reference – DH NH05) - Over the last 12 months energy efficiency has improved by 0.19%, from 75.83% in quarter 2 2022/23, to 76.02% in quarter 2, 2023/24. Outturn is anticipated to further increase slightly over the year, with the proposed improvements to cast irons and ongoing integrated solar pv / re-roofing works. The year end forecast is currently 76.00 on target for 2023/24.

Income

- 4.5.3 **-Rent arrears of current tenants as a percentage of the rent roll** (DORIS reference DH IN03 L2) – At quarter 2 2023/24, the outturn was 4.51%, compared to 4.39% in quarter 2, 2022/23. The current outturn is following historical trends, with current arrears starting to rise and expecting to rise further until the end of quarter 3 2023/24, when rent free weeks occur. The year-on-year increase has been driven by the Cost-of-Living crisis and is a national trend. In addition, there has been a continued increase in tenants moving over to Universal Credit and making payments in arrears. On track for this quarter and forecast to meet yearend target.

Repairs and Maintenance

- 4.5.4 **-Total number of outstanding responsive repairs** (DORIS reference DH RM02) – This is a new measure for 2023/24 and baseline data will be established over the year to inform targets and future performance. In quarter 2 2023/24, there were 5940 outstanding responsive repairs down from 8,122 last quarter. This 27% reduction follows rising numbers last quarter: 843 between April 2023 and May 2023, and by a further 82 between May 2023 and June 2023.

-Percentage of properties with completed Electrical Safety Testing (DORIS reference DH RM03) – The quarter 2 2023/24 outturn was 99.82%, which was 0.07% lower than last quarter (99.89%) and 0.1% lower than the same quarter in 2022/23. In quarter 2 2023/24 of the 22 overdue properties.

-1 is waiting for tenancy to end due to passing away.

-1 is waiting for tenancy to end due to moving to a care home.

-1 has an injunction granted to have access the property but severe hoarding has prevented a full test being carried out.

Housing Demand

- 4.5.5 **-Percentage of rent lost through dwellings becoming vacant** (DORIS reference DH HD01b) – At quarter 2 2023/24, the outturn was 0.73%. which has stayed the same as August. This figure is the forecast for year end and still better than the target of 0.89.

-Number of active Homefinder applicants (DORIS reference DH HD02) – There are currently a total of 9297 live applications across the Corporate Needs, Priority Needs and General Needs bands. A total of 5940 applicants across all 3 bands have placed a bid in the last 12 months, including. The quarter 2 2023/24 outturn is a 17% increase compared to quarter 2 2022/23 (5077)

In quarter 2 2023/24, 60% of all active applicants had placed a bid in the last 12 months across the 3 housing bands.

-Households for whom an initial assessment is completed under S184 of the Housing Act 1996 as believed to be homeless or threatened with homelessness (DORIS reference HD HD03) –1262 households have had an initial homelessness assessment completed since the beginning of April 2023. 221 assessments were completed in September which is a 14% decrease on the figure for August. However, the number of approaches remains high including an increased number of households exiting Home Office secured accommodation following a positive asylum decision.

-Households whose prevention duty ended before they became homeless (DORIS reference DH HD04) – The wording of this measure has been updated to align with the Homelessness Case Level Information Collection (H-CLIC). There have been no changes to methodology. 331 households have had their prevention duty ended before they became homeless with 143 of these being in this quarter. This is a 24% decrease on the Q1 figure and is indicative of the increasing difficulties in trying to effectively prevent homelessness especially in the private rented sector, both in maintaining and obtaining new tenancies.

-Households assessed, following relief duty end, as unintentionally homeless and priority need (owed main duty) (DORIS reference DH HD05) - The wording of this measure has been updated to align with the Homelessness Case Level Information Collection (H-CLIC). There have been no changes to methodology. 277 cases were resolved under the relief duty in quarter 2 of 2023/24 of which 161 who's relief duty ended this quarter.

- Households assessed, following relief duty end, as unintentionally homeless and priority need (owed main duty) (DORIS reference DH HD06) - The wording of this measure has been updated to align with the Homelessness Case Level Information Collection (H-CLIC). There have been no changes to methodology. 123 full homeless duty acceptances were recorded up to the end of quarter 2 2023/24, with 49 in this quarter. This is 68% higher than last quarter.

-Number of new households placed in bed and breakfast (singles) (DORIS reference HD07 - 201 single households have been placed in bed and breakfast since the beginning of April 2023 with 39 being placed in September. This is 8 higher than August and 17 higher than June. The cumulative figure has doubled from 100 in Q1 2023/24.

-Number of Families living in bed and breakfast at the end of the month where the stay exceeds 42 days (DORIS reference DH HD11) – linked to the measure above, there were 13 families living in bed and breakfast at the end of the month where the stay exceeded 42 days. This is the same number as last month and remains high due to the number of new households being owed a relief duty and the shortage of alternative temporary or more permanent housing options. Derby City Council and Derby Homes are exploring a number of options to alleviate the pressure for temporary accommodation (TA) placements including looking at homelessness service delivery and alternative TA options with non-shared facilities to reduce the number of bed and breakfast but due to the national housing crisis affordable options are limited.

-Number of new positive private sector placements (accommodation with a reasonable prospect of being available for 6 months or more) (DORIS reference DH HD12) - Competition continues in the affordable private rented sector in Derby with an increasing disparity between the local housing allowance and market rent levels. A number of landlords are also selling their properties or changing their use to HMO's, student lets and long-term leasing with other agencies.

We remain focussed on homelessness prevention wherever possible and continue to deliver the CB4 You Serve initiative and the Vulnerable Renters fund. Derby Homes' tenancy sustainment team has now been expanded to work with tenants in

the private sector. -Following a number of test cases, it will take on regular referrals from 1st October providing early homeless prevention through tenancy support.

5. OTHER OPTIONS CONSIDERED

5.1 None

IMPLICATIONS

6. CONSULTATION IMPLICATIONS

6.1 None

7. FINANCIAL AND BUSINESS PLAN IMPLICATIONS

7.1 Regular monitoring of performance measures, projects and strategic risks embeds understanding of how economically, efficiently, and effectively the Council is performing.

7.2 Many of our priority performance measures relate to areas of demand or risk that are major cost drivers and understanding these provides valuable insight for planning.

8. LEGAL AND CONFIDENTIALITY IMPLICATIONS

8.1 Not applicable

9. COUNCIL IMPLICATIONS

9.1 This is a matter which will be reviewed by the Derby City Council and Derby Homes Strategic Partnership Board.

10. PERSONNEL IMPLICATIONS

10.1 Not applicable

11. ENVIRONMENTAL IMPLICATIONS

11.1 'Green' is a priority theme for the city, the Council and Derby Homes. This is reflected in the City Plan, Council Delivery Plan and Derby Homes Delivery Plan, which align where appropriate.

12. EQUALITIES IMPLICATIONS

12.1 Creating a resilient city, with a focus on reducing inequalities and providing decent, sufficient, and affordable housing healthcare priority ambitions within the Derby Homes Delivery Plan 2022/23, and appropriate actions have been included within the report to address these.

12.2

Many of the priority performance measures are particularly important for people who share protected characteristics under the Equality Act 2010, and who would face further barriers to equality without effective public services. Understanding the effectiveness of Derby Homes as an ALMO and how it impacts people's lives is important for advancing equality of opportunity.

13. HEALTH & SAFETY IMPLICATIONS

13.1 Not applicable

14. RISK IMPLICATIONS

14.1 A Strategic and Operational Risk Register is reported to The Board on a quarterly basis.

Risk management should be an integral part of the business planning process as well as embedded within our day-to-day operations. Without the implementation and development of a risk management culture, there is a possibility of Derby Homes not delivering its strategic objectives.

15. POLICY REVIEW IMPLICATIONS

15.1 This is a key policy of Derby Homes and is included in the Key Policy Review Schedule. In accordance with Derby Homes Board Minute 10/51 this policy will be reviewed no later than 3 years from the date of this meeting.

For more information please contact:

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Background information: Quarter 2 report - level 2 measures

List of appendices Appendix 1 – DORIS performance report quarter 2 2023-24

This report has been approved by the following.

Managing Director	Maria Murphy	[Date]
Finance Director/Derby Homes Accountant	Michael Kirk	29.11.2023
Company Solicitor	Taran Lalria	01/12/2023
Governance Services	Chloe Gaskell	28.11.2023