

PERFORMANCE MANAGEMENT – QUARTER TWO 2019/20

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report presents a summary of performance for quarter two 2019/20 from key performance measures reported to Derby City Council. Overall performance remains positive with a few issues to be addressed where possible.
- 1.2 Results are assessed using traffic light criteria, according to their performance against improvement targets. Accountable Officers have provided commentary to put performance into context, identifying actions that they are taking to address poor performance, as shown at Appendix 1.
- 1.3 At the end of quarter two (up to 30 September 2019), 79% of measures achieved or exceeded their year-end target. 90% are forecast to either meet or exceed their target.
- 1.4 In specific circumstances targets can be revised during the reporting year providing a clear rationale for any revision is presented and appropriate approval sought. This report presents the Operational Board with proposed changes to the scorecard following a mid-year review. The changes are subject to approval by Derby City Council.

2. RECOMMENDATION

- 2.1 To discuss and note the 2019/20 quarter two performance results.
- 2.2 To approve the proposed changes to the performance targets, made as part of the mid-year target review, set out in Appendix 3.

3. REASON 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 in outturns 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 2019/20. This incorporates 44 priority measures reported on a monthly / quarterly basis and 53 in total. 12 measures do not have targets.
- 4.3 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, on a quarterly and monthly basis. 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 Along with the Council Plan, which is a high-level document, Derby City Council publishes an annual Delivery Plan which sets out how the priorities are put into practice and what differences the public and stakeholders should expect to see as a result of at work. Some of the content is drawn from department business plans, including Derby Homes, and other items are led by the administration and drawn from the manifesto they were elected on. The progress made against the Council Delivery Plan is reported regularly to Cabinet.

The following measures included in Derby Homes' 2019/20 Delivery Plan align with the commitments in the Council's 2019/20 Delivery Plan – see 4.7.7

- Number of homeless approaches
- Number of new households placed in bed & breakfast in a month – singles
- Number of new households placed in bed and breakfast in a month - families
- Number of new households placed in temporary accommodation other than bed and breakfast in a month
- Estimated number of people sleeping rough on a single night – monthly count

4.6 **Mid-year Review**

- 4.6.1 A mid-year review of both measures and targets has been completed. The purpose of this exercise is to make sure that the performance report reflects the right measures and that the targets set for improvement are SMART (specific, measurable, achievable, relevant and time-bound). As part of this, we consider whether:
- a) The target is not sufficiently stretching based on latest performance results or latest benchmarking information; or
 - b) The target is too stretching based on changing performance due to external factors (i.e. increasing demand, loss of capacity / resources etc.).
- 4.6.2 There are five measures where a change to the target is proposed:
- DH SAT PM04 Satisfaction with new home (new build and re-let)
 - DH SAT PM08 Tenant satisfaction with major improvements (kitchen & bathrooms)
 - DH CS PM06 Number of tenants registered for My Account on line
 - DH R&RA PM05 No. of tenants evicted as a result of rent arrears

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

These changes are set out in Appendix 2. All proposed changes to measures and targets were discussed at Senior Management Team (SMT) during the week of 4 November 2019.

- 4.6.3 All proposed changes to targets will be presented to the Strategic Partnership Board meeting for approval.

4.6 Performance Monitoring 2019/20 – Quarter Two

- 4.6.1 A detailed summary of the performance measures is shown in Appendix 1.
- 4.6.2 Summary performance results (where data is available) as approved by the Board and contained in the Delivery Plan are as follows:

Traffic Light Status	Q2 performance against Q2 target	Forecast against year-end target	2018/19 performance
Green / Blue – met or exceeded target	79% (26)	90% (36)	76% (29)
Amber - between 2% and 10% below target	9% (3)	8% (3)	8% (3)
Red - missed target by more than 10%	12% (4)	3% (1)	16% (6)

Note: The comparative figures in previous years may relate to a different set of performance measures as the measures are reviewed and refreshed annually. Disparity in calculations is due to rounding.

The performance measures highlighted as red are as follows:

- DH EH PM02 – Percentage of rent lost through dwellings becoming vacant – Target 0.8%, Actual 1.0%
- DH EH PM03 – Amount of rent lost through dwelling coming vacant – Quarter Two Target £225,000, Actual £299,544
- DH H&A PM07b – Number of households placed into B&B accommodation – families (snapshot at period end) – Target 15, Actual 18
- DH HR PM01 – Average working days lost due to sickness absence – Target 7.0, Actual 8.4

The performance measures highlighted as amber are as follows:

- DH SAT PM04 – Satisfaction with new home (new build and re-let) – Target 94%, Actual 90.4%
- DH SAT PM08 – Tenant satisfaction with major improvements (kitchen & bathrooms) – Target 95%, Actual 90.2%
- DH EH PM01 – Average time taken to relet local authority housing (days) – Target 24, Actual 26

4.7 Key areas to note

4.7.1 Satisfaction

Six of the eight satisfaction measures have met or exceeded their targets.

Satisfaction with Landlord continues to increase with a new high of 95.1%. Out of 899 respondents this financial year, 855 said they were satisfied with the service, 32 (3.56%) said they were neither satisfied, nor dissatisfied and only 12 respondents (1.33%) said they were dissatisfied with the service. All respondents who have expressed dissatisfaction are followed up.

We have seen a slight increase this quarter in satisfaction with views taken into account compared to quarter one. In total 604 tenants replied to the survey, 457 (78.6%) said they were satisfied and 10 (1.66%) expressed dissatisfaction. 199 respondents (19.7%) have said they are neither satisfied nor dissatisfied that their views are being taken into account

Although satisfaction with new home is below the annual target, we have seen an increase this quarter with 90.4% customers expressing satisfaction with their new home. As above the issue is not so much the level of dissatisfaction, only 11 (2.1%) said they were dissatisfied so far this year, but the number of respondents who return a neither/nor result. All new build homes have received a 100% satisfaction result.

A new measure was introduced this year to gather the satisfaction of customers who receive new kitchen and bathrooms. Overall 90% of respondents to the survey said they were satisfied, All of the customers who had received new bathrooms responded that they were satisfied with their new bathroom and the service that was provided, and of the customers who had received new kitchens 87% said they were satisfied. It should be noted that the overall satisfaction figure may be slightly distorted due to the relatively low number of respondents to the survey.

We will be contacting those tenants who expressed a dissatisfaction to see how we can learn from their feedback.

4.7.2 Customer Services

All indicators within the customer services measures suite are on track to meet their year-end targets (where applicable). To date 172 complaints have been resolved and closed at the initial complaints stage, of which 70 were upheld, 29 were partially upheld and 73 were not upheld. 98% of complaints received were responded to within timescale.

Since April a new campaign has been introduced to incentivise customers to sign up and register on 'My Account', where all new registrations are entered into a monthly draw to win a £50 voucher. 1,164 customers have registered this financial year, giving an overall total of 5,878 customers registered in total.

4.7.3 New Homes

A total of 477 new affordable homes have been delivered since 2008 in partnership with Derby City Council, with 17 completions this financial year. The completions, along with starts, are dominated by acquisitions this quarter. We expect to see strong acquisitions in quarter three, joined by correspondingly strong completions of new builds. As a result of this we have increased our year end forecast to 78 new homes delivered by the end of the financial year.

4.7.4 Rent and Rent Arrears

The current arrears levels continue to be on track to be on, or better than, the year-end target. Arrears levels are expected to increase up to December until the rent free weeks bring the figure down again, we will then have a better indication for the end of year outcome. The year-end arrears figure will increase from current levels due to:

- the increasing number of tenants switching to Universal Credit (UC) resulting in them being in arrears,
- direct debit payers who's payments are based on 4 weekly payments for the calendar month because of the factoring in of the rent free weeks over the year,
- week 53 rent charges are likely to increase arrears on UC claimants who will not have these costs covered by their (monthly) UC claim

We continue to work closely with Housing Options and Housing Management to try and avoid evictions where possible by assessing the overall all impact on the organisation. For the year so far we have only carried out 14 evictions, so this approach seems to be delivering results. Compared to a total of 52 for 2018/19 we are now forecasting around 35 for 2019/20.

4.7.5 Responsive Repairs

Performance in completing responsive repairs across tenants' homes continues to remain consistent, with 100% of emergency repairs completed within timescale, and 99.9% of very urgent and urgent repairs completed within timescale. In total, 10,497 priority repair jobs have been completed since April 2019 with only 15 (0.1%) out of timescale.

Of the 19,980 appointments made this financial year, 99.1% of them have been kept. On the occasion where appointments have been missed we have improved our processes to make more accurate records.

Tenant satisfaction with repairs remains high and above target at 99.1%. Out of a total of 19,099 text surveys sent out this financial year, we have received only 93 negative responses.

Gas servicing is a legal requirement and as such it is vital that we gain access to a property to service and maintain gas appliances. We continue to maintain our 100% compliance in relation to both electrical and gas safety, with all homes having a yearly gas safety check carried out.

4.7.6 Empty Homes

All three indicators within the empty homes measures suite indicate some issues to be addressed.

Although there is some improvement this quarter the average time to re-let local authority homes remains at 26 days. We will continue to work closely with other teams to ensure that vacant properties are let in a timely manner and expect this measure to recover later in the year as in previous years.

The percentage of rent lost through dwellings becoming vacant remains at 1.0%. It should be noted that it is our passive void properties where the rent loss is higher. We will remain focused on signing up the active voids as quickly as possible but also work with other teams to do this with the passive voids as well. Our recent audit has showed that most offers are accepted first time so we have the opportunity to get these done quicker and reduce the amount of rent lost on the void.

4.7.7 Housing and Advice

Households seeking assistance with homelessness has continued to increase with 649 approaching for assistance in quarter 2 compared against a figure of 517 in the same quarter during the previous financial year. The duty to prevent homelessness saw 103 cases successfully prevented in quarter 2, and a year to date total of 237. The duty to relieve homelessness, where prevention is not possible, saw 325 households assisted in quarter 2 with a year to date total of 591 successful relief outcomes. A high proportion of successful relief outcomes have been achieved through the private rented sector team who secured a further 38 private rented tenancies during quarter 2, giving a year to date figure of 97 new private tenancies. There were 118 households owed the main housing duty in quarter 2, with a year to date total of 223 accepted as homeless and owed the main housing duty.

The increasing number of households requiring assistance under homelessness legislation has inevitably seen a corresponding rise in the number of households needing temporary accommodation. Since April 2019 there have been 72 new households placed in temporary accommodation compared with 49 over the same period last year. With demand for temporary accommodation higher than the number of properties available there is a need to place households in bed and breakfast. Since April 2019 there have been 90 family placements and a further 52 single placements into bed and breakfast. The latest rough sleeper street count during quarter 2 reported 25 individuals sleeping rough on the 25th September.

4.7.8 Asset Management

100% of properties continue to meet the Decent Homes standard.

We have moved to a new system of generating our average sap and the level of data being requested has increased to facilitate the move to Open Housing (Open Assets) which has raised the SAP rating to the new improved figure of 75.4.

The average SAP for new build homes is currently below target; however our new build properties are built to current building regulations, with high levels of thermal insulation. The outturn figure is still well above the average for the housing stock.

4.7.9 Corporate Services

We have received 397 Councillor and MP enquiries this financial year. 93% have been responded to within timescale with only 28 out of time.

4.7.10 HR

The average number of working days lost due to sickness absence continues to remain above target and is slightly higher than at the same period last year (8.4 days in 2019/20 compared to 7.5 days in 2018/19). Management continue to analyse trends amongst the workforce and take prompt actions when an employee has hit a trigger. We are also working closely with Derby City Council Human Resource Advisors to advice and support on attendance management cases.

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
Health & Safety
Risk
Policy Review

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

Valerie Watson / Performance Planning Officer / 01332 643457 / Valerie.watson@derby.gov.uk
Background Information: None
Supporting Information: None

This report has been approved by the following officers:

Finance Director/Derby Homes Accountant	David Enticott	[Date]
Head of Housing Management	Lorraine Testro	25/10/19
Head of Repairs	Steve Bayliss	25/10/19
Head of Finance & Income	Michael Kirk	29/10/19
Head of Housing Options and Homelessness	Matt Palmer	30/10/19