

**OPERATIONAL BOARD
30 AUGUST 2018**

ITEM 9

PERFORMANCE MANAGEMENT – QUARTER ONE 2018/19

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report presents a summary of performance for quarter one 2018/19 from key performance measures reported to Derby City Council.
- 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 and identify actions that they are taking to address poor performance as shown at Appendix 1.
- 1.3 At the end of quarter one (up to 30 June 2018), 70% of measures, where data was available, achieved or exceeded their year-end target and 86% are currently forecast to meet or exceed their year-end target.

2. RECOMMENDATION

- 2.1 To discuss and note the quarter one 2018/19 performance results.

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 in outturns enables remedial action to be taken where appropriate.
- 4.2 The contents of this performance report and supporting appendix is based on priority measures as approved by the Board and contained in the Delivery Plan 2018/19. This incorporates 44 priority measures reported on a monthly / quarterly basis and 52 in total. 7 are not yet measurable as they are annual targets. 12 measures do not have targets. There are 10 new priority measures for 2018/19 and two have been re-instated.

4.3 Level 1 and 2 performance measures within Derby Homes' Delivery Plan are monitored through DORIS on a quarterly and monthly basis. The traffic light criteria used by DORIS is as follows:

- Blue – performance above target by 2% or more
- Green – performance meets target
- Amber – performance within 5% of the target
- Red – performance more than 5% adverse of target

4.4 Each year Derby City Council agree a small basket of priority performance measures to ensure that Chief Officers and Members are cited on key performance issues and outcomes. The criteria for the selection of measures for inclusion within the scorecard are:

- measure is linked to an area of significant budget pressure / income source (1)
- a reflection of demand for services (2)
- key inspection / reputational / compliance risk area (3)
- measure links to a commitment in the latest edition of the Council Plan, and also meets at least one of the criteria above (4).

4.5 Four of Derby Homes' priority measures are included within the Council Scorecard (Appendix 1) for 2018/19.

- DH Local 01 Rent arrears of current tenants as a percentage of rent roll (scorecard rationale 1,2) –see 4.7.1
- DH Local 62b Number of New Homes Delivered (scorecard rationale 2,4) – see 4.7.5
- DH Local 142 Total number of cases resolved under 'prevention duty' (scorecard rationale 1,2,3) – see 4.7.6
- DH Local 143 Total number of cases resolved under 'relief duty' (scorecard rationale 1,2,3) – see 4.7.6

4.6 Performance Monitoring 2018/19 – Quarter One

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	Q1 performance against Q1 target	Forecast against year end target	2017/18 performance
Green / Blue – met or exceeded target	70% (19)	86% (30)	70% (21)
Amber - missed target by up to 5%	22% (6)	3% (1)	3% (1)
Red - missed target by more than 5%	7% (2)	11% (4)	27% (8)

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 Local 76 – Average working days lost to sickness absence – Target 7.0, Actual 8.2, Projected year-end forecast 8.2
- DH Local 145 – Number of new positive private sector placements from April 2018 (accommodation with a reasonable prospect of being available for 6 months or more) – Q1 Target 40, Q1 Actual 25, Year-end target 160, Projected year-end forecast 120

The performance measures highlighted as amber are as follows:

- DH Local 52 – Satisfaction with new home (new build and re-let) – Target 94% Actual 89.2%, Projected year-end forecast 94%
- DH Local 67 – Satisfaction with the way ASB case was handled – Target 93% Actual 92.6%, Projected year-end forecast 93%
- DH Local 77 – Percentage of respondents satisfied with their neighbourhood as a place to live – Target 84%, Actual 82.8%, Projected year-end forecast 84%
- YA&H PM04 – Number of households placed into B&B accommodation (snapshot at period end) – Target 15, Actual 16, Projected year-end forecast 15

4.7 Key areas to note

- 4.7.1 We are now starting to see an increase in arrears and at the end of quarter one the total arrears were at the highest point for this period since 2011. It should be noted that this increase is prior to the full Universal Credit (UC) roll out which was due on 11 July 2018. As previously reported we expect arrears to initially increase before new payment patterns bed in and trends become more settled. We continue to refine use of our new software system and have now completed recruitment to the team structure. Our Welfare Reform Team are working with all tenants moving onto UC claims and we now have access to the Department for Work and Pensions (DWP landlords portal which, as time goes on, will increase the information on claims for our officers. However, performance measures in the rent arrears suite have continued to either meet or exceed their quarterly targets which were reviewed and refreshed as part of the business planning process for 2018/19.

Evictions are comparable compared to the same period last year (11 compared to 10) and is well within the quarter one target of 14. Recently we have had a higher number of evictions authorised for eviction warrants though it is not expected that all of these will be executed. However, we may see evictions increase at a higher rate in the coming months.

4.7.2 Allocations

We are unable to provide accurate data for this suite of indicators due to the Open housing implementation. Reports are currently being designed to pick up data to provide statistics for reporting purposes.

4.7.3 Housing Maintenance

Performance in completing responsive repairs across tenants' homes continues to remain consistent, with 100% of emergency, very urgent and urgent repairs completed within timescale and 99.7% of non-urgent repairs completed within timescale.

In total, 5,356 priority repair jobs have been completed in quarter one with only 9 (under 0.2%) out of timescale.

We are currently unable to report on the 'number of appointments kept by the landlord as a percentage of all appointments made' due to reporting issues. However, we can report that 10 appointments have been missed this quarter.

Tenant satisfaction with repairs remains high and above target at 99.7%. Out of the 4,364 text surveys sent out we have only received only 12 negative responses this quarter.

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.

4.7.4 Satisfaction

Three of the six quarterly satisfaction measures have met or exceeded their targets.

Overall satisfaction with landlord has shown consistent improvement over the last three years. During quarter one 93.2% of respondents said that they were satisfied overall with the services provided by Derby Homes compared to 92.4% in the same quarter last year. What is even better is that only 2% (10 respondents) said that they were dissatisfied with the service.

Satisfaction with views taken into account has seen a 6% improvement on the 2017/18 outturn with 85.1% of tenants who responded to this question satisfied that their views are listened to. Only 7 of the 148 respondents expressed dissatisfaction.

Satisfaction with the way ASB cases were handled has increased this quarter to 92.6% but is slightly below the revised 2018/19 target of 93%.

Satisfaction with new home has decreased this quarter from 94% at year end to 89.2% at the end of quarter one. This may be attributable to a lower sample size. We always use feedback as a learning opportunity and will be contacting the 7 respondents who were dissatisfied with the condition of their new home. None of the surveys this quarter related to views on new build properties.

4.7.5 Investment

Our total number of new homes delivered as at 30 June 2018, in partnership with Derby City Council, remains at 354, there were no completions during quarter one. 8 properties should have completed during this quarter but due to delays beyond our control these have been delayed and we now expect them to be delivered during quarter two.

2 new homes started on-site during quarter one and there are 19 units at various stages of pre-site preparation or cost review. We expect to see these starts on site during quarter two, however the target of 60 starts is not expected to be met and the current year end forecast is 26 (DH Local 62a).

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

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

4.7.6 Homelessness

The Local Authority has a statutory duty to give advice to anyone who is homeless or at risk of homelessness. The introduction of the Homelessness Reduction Act (HRA) in April 2018 provides a new legal framework placing a legal obligation on local authorities to prevent homelessness. There is now a 56 day prevention duty meaning that some cases may be dealt with earlier than previously and early intervention will lead to successful resolution of threatened homelessness. Moving forward the number of preventions will increase along with the number of relief duties. We anticipate an end to the full duty owed to some households who made a homeless approach prior to April 2018 (legacy cases) which may well distort the figures for this quarter.

Five new performance measures have been developed as a result of the HRA and will inform future target setting.

In quarter one there were 50 cases resolved under 'prevention duty' and 87 resolved under 'relief duty'. These are both new measures introduced under the HRA and as such there is no historical data with which to compare. As we get to grips with the wider preventative duties we anticipate these figures will increase.

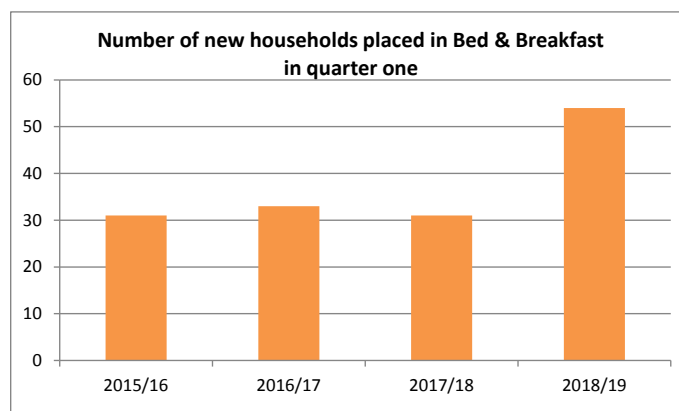
The number of homeless approaches where an HRA application is activated on RARS (450 at quarter one) is also a new measure for 2018/19 under the new legislation and it is therefore difficult to draw any comparison with previous indicators. However, if we were to look at the previous year's data to compare workload the number of approaches has doubled by 38% when compared to the same quarter last year. An increase in this figure is expected as we provide a prevention, relief and homelessness duty, all of which will be recorded as an approach to the authority.

There were 24 full homeless duty acceptances in quarter one. This figure is dramatically lower than previous recent quarters which is partly due to a number of successful prevention and relief cases. Also for this quarter some households who applied as homeless prior to 3 April 2018 (legacy cases) under the old legislation have had a decision where the full housing duty is owed (14). We expect the number of acceptances to remain low due to the increased priority given to homelessness prevention.

There were 25 new positive private sector placements (PRS) (accommodation with a reasonable prospect of being available for 6 months or more) during quarter one. This is below the quarterly target of 40, which is a very demanding target. There is an updated action plan to target private landlords and secure more PRS accommodation.

The HRA requires placements into temporary accommodation for certain homeless individuals and families who are owed an interim accommodation duty. 23 new households have been placed in temporary accommodation (other than bed and breakfast) since April 2018.

Wherever possible we try not to place families with children in bed and breakfast which should only be used for families in emergencies. During quarter one there have been 54 household placements, the highest it has been at this point for the last four years. This includes both single and family placements.



4.7.7 Sickness Absence

At the end of quarter one, sickness absence was 8.2 days per full time equivalent (FTE) which exceeds the target of 7 days. Management continue to analyse trends amongst the workforce and take prompt actions when an employee has hit a trigger. We are working closely with Derby City Council human resource advisors to advice and support on attendance management case.

A total of 4,889 hours have been lost to long term absence in total during quarter one. The top three reasons for long term absence since June 2017 (equating to an average of 4.74 days (12 month rolling period) per full time equivalent) are:

- Mental health – anxiety / stress
- Surgery – general
- Musculoskeletal – general

A total of 2,969 hours have been lost to short term absence in total during quarter one. The top three reasons for short term absence since June 2017 (equating to an average of 3.48 days (12 month rolling period) per full time equivalent) are:

- Flu-like symptoms
- Ear, nose and throat (ENT)
- Cough and / or cold

4.7.8 Corporate Services

Work is now well under way for this year's apprentice recruitment programme. We have had an overwhelming response to the vacancies which were advertised to local schools and training providers. Apprentices will start employment with Derby Homes in September 2018.

We recently went to an event at a local secondary school which was attended by members of staff from all the Derby City secondary schools that have responsibility for the delivery of careers education in their school. The purpose of the event was to help schools add value to their careers education programme and to support the delivery of effective information, advice and guidance to students. This was really useful for Derby Homes as we were able to engage with all the secondary schools on our estates and discuss ways of working together.

5. OTHER OPTIONS CONSIDERED

5.1 Not applicable.

IMPLICATIONS

6. COUNCIL IMPLICATIONS

6.1 Four of the measures are included in the Council Scorecard and are reported to Council Cabinet on a quarterly basis (highlighted in Appendix 1).

7. EQUALITIES IMPLICATIONS

7.1 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
Personnel
Environmental
Health & Safety
Risk
Policy Review

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

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Background Information: None

Supporting Information: None