

**PERFORMANCE MONITORING 2016/17 – QUARTER TWO RESULTS AND
MID-YEAR TARGET REVIEW**

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report summarises the performance of Derby Homes for the second quarter of 2016/17, July 2016 to September 2016, for key performance measures reported to Derby City Council and provides details on the outcome of the mid-year review of the year-end performance targets.
- 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 two (up to 30 September 2016), 80% of measures, where data was available, achieved or exceeded their quarterly target. 74% of performance measures are forecast to meet or exceed their year-end target.
- 1.4 Targets are an essential tool for supporting improvement and focusing effort. They provide information about the actual and expected performance of an indicator. Targets are set during the annual delivery planning process and this commits the service to working towards the achievement of that target for the duration of the year.
- 1.5 In specific circumstances targets can be revised during the reporting year providing a clear rationale for any revision is presented and appropriate approval sought.
- 1.6 Derby Homes have undertaken a review of all of the key performance indicators currently reported to Derby City Council and have proposed revised targets for four of those measures as shown in Appendix 2.

2. RECOMMENDATION

- 2.1 To discuss and note the 2016/17 quarter two performance results.
- 2.2 To agree the proposed changes to targets set out in Appendix 2 as approved by Derby City Council.

3. MATTER FOR CONSIDERATION

- 3.1 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.

- 3.2 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 2016/17. This incorporates 27 priority measures reported on a monthly / quarterly basis and 33 in total.
- 3.3 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
- 3.4 Three priority measures are included within the Council Scorecard (Appendix 1). The criteria used for identifying measures for the Council Scorecard reflects factors such as; corporate importance, previous and comparative performance levels, importance to external inspections, impact on the Council's reputation and budget implications. Targets have not been met for the two quarterly Scorecard measures YA&HPM03 (NI156) and YA&HPM06 (DH) and more details on this are available at 3.8.8 of this report. Furthermore, it should be noted that the 'new homes' measure is reported annually and will be presented at the end of March 2017.
- 3.5 At the midway point of the financial year (April to September) trends begin to form and year end performance can start to be predicted with more certainty. At the start of 2016/17 Derby Homes committed to review targets for all priority measures (Level 2). The main driver for this was to ensure that targets remained challenging but in circumstances where targets may have been set at an unrealistic level this would provide an opportunity for review.
- 3.6 **Mid-year target review**
- 3.6.1 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.
- 3.6.2 Following a review of the performance measures with all service leads there are a number of proposed changes to targets, which have been determined using the criteria set out below:
1. Target is not sufficiently stretching based on latest performance results.
 2. The target is too stretching based on changing performance due to external factors (i.e. increasing demand, loss of capacity / resources etc.).
 3. There were no targets set for 2016 as there was insufficient information available to propose a SMART target.

- 3.6.3 All proposed changes to targets have been discussed and agreed at the Strategic Partnership Board with sign off from the Strategic Director.
- 3.6.4 It should be noted that the purpose of the mid-year review is not to make targets easier but to ensure there is sufficient but realistic challenge in all areas considering that performance can be impacted by many external factors. In this way, targets can remain motivational for staff and partners, rather than simply unachievable.

The measures where there is a change to the target are set out in Appendix 2.

3.7 Performance Monitoring 2016/17 – Quarter Two

- 3.7.1 A detailed summary of the performance measures is shown in Appendix 1, together with a guidance sheet for the summary at Appendix 3.
- 3.7.2 Summary performance results for monthly / quarterly priority measures 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	2015/16 Performance
Green / Blue – met or exceeded target	80% (20)	77%	79%
Amber - missed target by up to 5%	0% (0)	0%	6%
Red - missed target by more than 5%	20% (5)	23%	15%

Data was unavailable at quarter two for 'DH Local 30 Customer satisfaction with the Customer Service Team'.

The performance measures highlighted as red at the end of quarter two are as follows:

- YA&H PM03 (NI 156) Number of Households living in Temporary Accommodation – Target 30 Actual 54 (Council Scorecard)
- YA&H PM04 – Number of Households placed in Bed and Breakfast Accommodation – Target 10 Actual 25
- YA&H PM05 – Number of Homelessness Preventions – Target 500 (annual target 1,000) Actual 264
- YA&H PM06 - Number of homeless acceptances –Target 185 (annual target 370) Actual 251 (Council Scorecard)
- DH Local 76 – Average working days lost to sickness absence – Target 6.8 Actual 7.8

3.8 Key areas to note

3.8.1 Rent Arrears

Performance in the rent arrears measures suite continues to remain positive and all measures have either met or exceeded their mid-year targets.

So far this year we have carried out fewer evictions compared to this period last year (17 compared to 29) and performance remains well below the quarter two target. To reflect the positive profile of performance at the end of quarter two it is being recommended that the target is revised from 80 to 50.

3.8.2 Voids & Relets

The average re-let for quarter two was 23.2 days, an improvement on the figure reported at quarter one and is below the year-end target.

The number of properties let remains low with 424 compared to 454 at the same point last year.

Rent lost through dwellings becoming vacant continues to be an area of strength for Derby Homes and remains under 0.8%.

3.8.3 Maintenance

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

In total, 12,568 repair jobs have been completed to date this year with only six out of timescale.

Of the 8,541 appointable jobs to date this year only 4 appointments have been missed.

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 have maintained our 100% compliance in relation to electrical and gas safety, with all homes having a yearly gas safety check carried out.

3.8.4 Satisfaction

Three of the four satisfaction measures have exceeded their targets at quarter two. Data was not available for the measure 'satisfaction with Customer Service Team'.

During quarter two a total of 725 responses were received to satisfaction surveys with 88% of tenants reporting that they are satisfied overall with the services provided by Derby Homes giving a cumulative satisfaction figure of 89% to date this year.

83% of respondents were satisfied that their views are taken into account. This result remains 8% over target and Derby Homes.

We have also achieved a satisfaction figure of 95% so far this year with the way ASB cases were handled, which is 14% above the target of 81%.

The positive performance for this suite of performance measures are reflected in the increased targets for 2016/17.

3.8.6 New Homes

A number of sites commenced at the beginning of the year and are due for handover over the next quarter; this will give a boost towards our target which currently stands at 288 towards the overall target of 700.

3.8.7 Sickness Absence

We have seen an increase in the number of average working days lost due to sickness absence which currently stands at 7.8.

The top 3 reasons for days lost are stress – 20%, surgery - 14% and “Other” - 11%. Data shows that on average a stress absence causes a loss of 22 working days. We know that in 2015/16 just 4% of the workforce identified their absence as stress related. In 2017 we are signing up to the Lets Talk Mental Health Pledge. This national campaign aims to improve awareness and support for employees living with mental health issues.

We continue to manage attendance in a proactive and supportive way.

3.8.8 Homelessness

There has been a decline in performance in all areas within this service area with two measures featuring in the Council Scorecard. All measures have missed their target by more than 5% and all are forecast to miss their year-end targets.

Our ability to deliver advice and assistance for homeless households and prevent homelessness is critical to managing homelessness acceptances. However, with the increase in homeless acceptances, resources need to be diverted from preventative work to deal with households in crisis when they are homeless. The numbers we are able to therefore prevent from becoming homeless are falling and the number of homeless preventions (YA&H PM05) continues to remain below target.

The number of households living in temporary accommodation has increased to 54 at quarter two (YA&H PM03) compared to 42 at quarter one. This is due to the high levels of homelessness alongside a decrease in the number of available social tenancies. The number of homelessness acceptances (YA&H PM06) is also increasing with a current year end forecast of 500 compared to 377 last year. This reflects the national picture with welfare changes, reductions in Government funding and legislative changes all contributing factors. The number of Council properties available has been increased and work is ongoing to acquire other properties. In addition the systems and procedures in place to improve moving on from temporary accommodation are being looked at. An update was presented to the Council's Corporate Scrutiny and Governance Board in November.

4. COUNCIL

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

5. EQUALITIES AND IMPACT ASSESSMENT

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
Legal and Confidentiality
Personnel
Financial and Business Plan Implications
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