

PERFORMANCE MANAGEMENT – QUARTER ONE REPORT 2020/21

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report presents a summary of performance for quarter one 2020/21 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 improvement actions that they are taking, as shown at Appendix 1.
- 1.3 At the end of quarter one (up to 30 June 2020), 67% of measures, where data was available, achieved or exceeded their target and 83% are forecast to meet or exceed their year-end target.

2. RECOMMENDATION

- 2.1 To discuss and note the 2020/21 quarter one performance results.

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 2020/21. This incorporates 34 priority measures reported on a monthly / quarterly basis and 43 in total. 10 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. 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 Performance Monitoring 2020/21 – Quarter One

4.4.1 Performance within quarter one has been significantly affected by the lockdown measures introduced to control COVID-19. Summary commentary against each indicator gives more detail.

4.4.1 A detailed summary of the performance measures is shown in Appendix 1.

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

	Q1 2019/20 performance	Q4 2020/21 performance
Blue	10% (2)	12% (5)
Green	57% (12)	63% (26)
Amber	10% (2)	12% (5)
Red	24% (5)	12% (5)
No target / annual	17	13
Missing data	5	

Disparity in calculations is due to rounding.

The performance measures highlighted as red are:

DH R&RA PM01 Rent arrears of current tenants as a percentage of rent roll – Quarter One Target 2.6%, Actual 3.1%, Annual Target 3.5%, Year End Forecast 3.5%

DH R&RA PM02 Rent arrears of current tenants – Quarter One Target £1,415,447, Actual £1,791,979, Annual Target £1.5m, Year End Forecast £2m

DH RR&V PM21 - % of Passenger Lifts subject to a completed service and an independent LOLER Inspection within the past 6 months – Target 100%, Actual 85.7%

DH EH PM01 – Average time taken to relet local authority housing (days) – Target 24, Actual 52.4

DH EH PM02 - % of rent lost through dwellings becoming vacant – Target 1.0%, Actual 1.7%

The performance measures highlighted as amber are:

DH CS PM01 Percentage of all complaints resolved at initial contact – Target 97%, Actual 93%

DH HR PM01 Average working days lost due to sickness absence – Target 7, Actual 7.2

4.5 **Key areas to note**

4.5.1 **Satisfaction**

Due to the Covid-19 pandemic, our overarching customer satisfactions surveys were paused. There is therefore no data this quarter for the following measures:

- Tenant satisfaction with Landlord
- Tenant satisfaction with views taken into account
- Percentage of respondents satisfied with their neighbourhood as a place to live

As services have become more settled, we are now working to restart our overarching customer satisfaction survey towards the end of July.

The Kitchen and Bathroom Programme was postponed during quarter one due to the pandemic and will restart at the beginning of August, therefore no surveys were undertaken.

Transactional satisfaction surveys have continued during this quarter, where services have remained operational. In each of these areas' satisfaction has either met or exceeded their target.

4.5.2 **Customer Services**

Three of the four complaints measures have met their targets.

93% of complaints received were resolved at initial contact which is slightly below the target of 97%. Of the 54 complaints closed this financial year, 50 were resolved at initial contact.

4.5.3 **New Homes**

A total of 521 new affordable homes have been delivered since 2008 in partnership with Derby City Council, with 7 completions during quarter one. The completions, along with starts, continue to be dominated by acquisitions.

The national restrictions as a result of the Covid-19 outbreak has delayed works on site on the 5 current new build schemes / 20 units that should have completed in quarter four of the previous year. A rolling recommencement of new build sites is now being implemented complete with Covid-19 Risk Assessment Methods Statements (RAMS).

4.5.4 **Rent and Rent Arrears**

In common with the rest of the country, there has been an increase in arrears in quarter one as a result of the Covid-19 response and in Derby's case, the residual impact from the extra weeks rent charge at the end of 2019/20. Overall, we feel that arrears are between £0.3m to £0.5m higher than would otherwise be the case.

We continue to benchmark our performance against figures produced by Housemark. At quarter one, the £1.8m arrears figure is in line with where

Housemark project Derby to be. This is around £0.4m lower than what the arrears would be if the national average level was applied.

The actual level of income collected is very good considering the situation, as can be seen in the performance measure 'DH R&RA PM04' (appendix 1). In fact, in actual cash terms we have collected more non housing benefit income in quarter one 2020/21, at £7.5m, compared to the same period last year at £7.2m. Housing Benefit levels are consistent.

These results have been achieved despite not being able to instigate any formal enforcement action for over three months. We have concentrated on providing support options to tenants in arrears and where possible agreeing payment plans with tenants. From 1 July 2020, we are re-introducing normal income recovery letters and if necessary will start issuing Notice of Seeking possession orders again. There is a 3 month notice period on these, further extending the period until a case could potentially be heard in court. Support will continue to be provided to tenants who engage with us. It is those tenants who do not engage who will eventually go through the eviction process.

Our 2020/21 year end arrears balance will be higher than the original pre COVID target. We have discussed this with the Council and considered its impact on the wider HRA budgets.

4.5.5 Responsive Repairs

Four new compliance measures were introduced in this suite of measures in quarter one for water, fire, asbestos and passenger lifts. There is some slippage for the measure '% of Passenger Lifts subject to a completed service and an independent LOLER Inspection within the past 6 months' due to the unavailability of parts as a result of the pandemic. All other new measures have achieved 100% compliance.

No electrical testing was completed during quarter one due to Covid -19, this will re-commence in quarter two once an action plan has been created.

4.5.6 Empty Homes

Whilst in the early stages of lockdown and in response to the emergency phase of the Coronavirus pandemic, we followed Government guidance issued of 'not to move'. Derby Homes, in consultation with the Council, took the decision to suspend the Homefinder scheme until 31st August 2020. Additionally, all previous agreed offers of accommodation and approved allocations, were also withdrawn under the 'not to move' guidance issued by Government.

The suspension of Homefinder and withdrawal of all offers has had a significant impact on the ability to relet properties during the pandemic. Due to this we are currently reporting in a higher than expected and out of target re-let figure of 52.36 Days.

If we were to remove the impact of no properties being allocated due to the suspension of Homefinder and withdrawal of all offers, our performance calculations demonstrate/forecast we would be currently operating at 25 Days.

Alongside the above, a programme within the Council to obtain much needed additional social housing will also be impacting on the rent loss measures at present. This is due to works needed post-completion to bring the properties up to an acceptable standard to let, and the associated rent loss whilst this work is completed. There are also a number of empty properties requiring more major works which are being progressed which will again impact the rent loss figures.

4.5.7 Housing and Advice

On the 23rd of March the Housing Options service adopted new ways of working in response to the pandemic with the service being operated remotely and a telephone service implemented in place of a face to face interview. Our customers were asked to stay put, unless homeless and to access the service using a personal phone where possible rather than accessing the service at the Council House. The Housing options service saw a decline in demand for advice and assistance with a reduction in homeless approaches of 23% during the quarter when compared with the same period in the previous financial year.

The end of tenancies in the private rented sector saw notice period extended for landlords who wanted to issue a section 21 notice from 2 months to 3 months with the prohibition of any court action until 24th August this year. The reduction in approaches and the changes in the private rented sector created an opportunity to prevent more homelessness during this period with an 8% increase in successful preventions compared with the previous quarter. These outcomes provide a better solution for our customers who avoid the need for temporary accommodation and can either remain in their home or move to a new home without ever becoming homeless.

In the first quarter of this year there were 140 single homeless people that were placed in bed and breakfast provision which ordinarily would appear as a high volume of placements. Under the current operating environment where supported housing providers were either unable to accommodate these customers or at a reduced capacity the provision of a hotel was secured to ensure the city was able to respond to the call to bring “everyone in”, which we did. Under the circumstances this figure should be celebrated as a real success. As restrictions eased our supported accommodation providers responded to the “call to arms” which saw everyone that was in the hotel made an offer of accommodation, as we closed it down.

4.5.8 HR

During quarter one the average number of days lost per employee for all absences was 1.35 compared with 1.76 for the same period last year. A total of 6933 hours were lost in quarter one compared to 8,244 hours for the same period in 2019/20. A total of 34,889.80 hours lost due to sickness absence over the last 12 months.

The average number of days lost for long term absences for quarter one was 0.4 compared with 1.02 for the same period last year. The rolling 12 month days lost for long term absence is 3.91. Although we saw a spike in the number of hours lost in April, 1448.25 compared to 1397 in 2019) there has been a noticeable reduction in May and June (792 & 446 respectively compared to 1733 and 1792 in the same periods in 2019).

The average number of days lost for short term absences was 0.50 compared with 0.74 for the same period last year. The rolling 12 month days lost for short term absence is 3.28. Short term absence for April was comparative to the absence recorded in 2019 but we have seen a decrease in May and June (474 & 606 respectively compared to 1237 and 875 in the same periods in 2019).

Since March employees have been able to record non-medical absences relating to the Covid-19 pandemic. These non-medical absences were created for employees needing to self-quarantine on government advice or care for a dependent as a result of the pandemic.

In quarter one 2,719.75 working hours were lost under the non-medical reasons such as self-quarantining.

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 Director of Housing Services Derby Homes Accountant Head of Service	David Enticott Clare Mehrbani Michael Kirk Matt Palmer	20/07/20 29/07/20
---	---	----------------------

