

DRAFT PERFORMANCE MANAGEMENT – QUARTER FOUR AND YEAR-END REPORT 2022/23

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report presents a summary of performance for quarter 4 and year-end 2022/23, from key performance measures reported to Derby City Council, (DCC), we call these our level 2 KPI's.
- 1.2 Results are usually 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 to address known challenges, as shown in Appendix 1.

2. RECOMMENDATION

- 2.1 To discuss and note the 2022/23 quarter 4 and year-end performance trends.

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 investigations of variances, enables remedial action to be taken where appropriate.
- 4.2 The contents of this performance report and supporting appendices is based upon priority measures, as approved by the Board, and contained within the Delivery Plan 2022/23; this incorporates 35 priority measures reported on a monthly/quarterly basis (44 in total). Please note, that due to their measure type, 12 measures do not have an annual target.
- 4.3 **Performance monitoring 2022/23 quarter four and year-end**
 - 4.3.1 Level 2 performance measures within Derby Homes' Delivery Plan is 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

4.3.2 Of the 32 measures with a target, at quarter 4 and year-end, 59.38% (19) met/exceeded them; this is a 7.29ppt decrease compared to the 2021/22 performance of 66.67%, when 22 out of 33 met/exceeded target.

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

	Performance against year-end target at quarter 4	
	2022/23	2021/22
Blue	9.4% (3 measures)	15.2% (5 measures)
Green	59.4% (19 measures)	51.5% (17 measures)
Amber	9.4% (3 measures)	15.2% (5 measures)
Red	21.8% (7 measures)	18.1% (6 measures)
No target set	12	10
Total measures	44	43

The 7 performance measures with a red status are:

- Satisfaction with new home (new build and re-let) DH SAT PM04
 - Actual 81.1% against an annual target of 93.0%.
 - This measure has consistently had a red status throughout 2022/23.
- Number of complaints upheld by the Ombudsman DH CS PM05
 - Actual 2 against an annual target of 0.
 - This measure was rated green in quarters 1,2 and 3.
- Percentage of closed stage 1 complaints escalated to stage 2 during the 4 DH CS PM11
 - Actual 10%, against an annual target of 5%.
 - This measure had a green status in quarter 1, but a red status in quarter 2 and 3.
- Average working days lost due to sickness absence DH HR PM01
 - Actual 10.2 days, against a target of 8.8 days.
 - This measure has been consistently rated red in 2022/23.
- Number of new homes started in year; annual measure DH NH PM01
 - Actual 39, against a target of 60.
 - This measure has been consistently forecasting a red status since the start of 2022/23.
- Number of new homes delivered in year; annual measure DH NH PM02
 - Actual 23, against a target of 60.
 - This measure has been consistently forecasting a red status since the start of 2022/23.
- Percentage of non-decent council homes; annual measure DH AM PM01
 - Actual 0.6%, against a target of 0%.

- This measure has been consistently forecasting a red status since the start of 2022/23.

The 3 performance measures with an amber status are:

- Percentage of closed stage 2 complaints responded to within timescale DH CS PM10
 - Actual 90%, against a target of 95%.
 - This measure was rated green in quarters 1, 2 and 3.
- Number of new affordable homes delivered since 2008; annual measure DH NH PM03
 - Actual 670, against a target of 709.
 - This measure has been consistently forecasting an amber status since the start of 2022/23.
- Average time taken to relet local authority housing (days) DH EH PM01
 - Actual 22.7 days, against a target of 21.0 days.
 - This measure was green in quarter 1, blue in quarter 2, green in quarter 3.

4.4 **Key areas to note**

4.4.1 **Satisfaction**

- At quarter 4 and year-end, 7 out of 8 satisfaction measures have met year-end targets.
- Tenant satisfaction with listened to my feedback (DH SAT PM02a) has exceeded target by 11.4%, achieving 86.4%, against a target of 75%.
- As highlighted above, satisfaction with new home (DH SAT PM04), has consistently missed target throughout 2022/23 and is rated red. Satisfaction is 81.1% against an annual target of 93%. More scrutiny and accountability of the different service areas has now been introduced to improve performance.
- Positively, and following the recruitment of an Empty Homes Coordinator, customer satisfaction has increased from 76.67% in quarter 3, to 82.72% in quarter 4.
- The remaining 7 measures all met target and are rated green.

4.4.2 **Customer Services**

- Of the four measures with targets, 1 measure achieved target (green) and 3 failed to meet target (x 2 red, x 1 amber).
- Overall, for 2022/23, 94.4% of closed stage 1 complaints were responded to within the timescale, exceeding the year-end target of 95% (DH CS PM03a).
- 11 stage 2 complaints were escalated to stage 2 in quarter 4 (DH CS PM11), and 2 of which were not responded to within timescale, resulting in an amber rating (DH CS PM10). Although complaints escalated to stage 2 in quarter 4 have increased, this is in line with our Arms-Length Management Organisations national benchmarking groups trend. However, locally there has been an increase in customer expectations, and changes in the new Complaint Handling Code, which could have affected performance.

- 2 complaints were upheld by the Housing/Local Government Ombudsman in quarter 4, resulting in a red status at year-end. Another complaint is currently being investigated with the Housing Ombudsman, which has been with them for 10 months.

4.4.3 New Homes

Of the 3 measures associated with new homes, none have achieved target in 2022/23 (x 2 red, x 1 amber).

Starts on site in-year – DH NH PM01

- Housing starts in quarter 4 are exclusive acquisitions by the City Council. It is expected that Monyash Close, with 45 units, will start on site from quarter 2 or quarter 3 of 2023/24

New homes delivered in-year – DH NH PM02

- In quarter 4 it was expected that 12 new build purchased bungalows and 5 new purchased houses would be completed. However, delays caused by commissioning challenges and site access have affected performance and the 17 new homes will now be delivered by quarter 2 of 2023/24

Affordable homes delivered SINCE 2008 – DH NH PM03

- The year-end performance of 670 new affordable home delivered was 39 below target, however, accurate forecasting has consistently estimated an amber status throughout 2022/23.
- Despite the shortfall in target, the pipeline going into 2023/24 is strong, and currently includes 17 new build contract purchases and s106 at Osmaston and Sinfin, all due in quarter 1 of 2023/24.

4.4.4 Rent and Rent Arrears

All five measures have met or exceeded annual targets.

Rent arrears of current tenants as percentage of rent roll - DH R&RA PM01

- With the cost-of-living crisis, a challenging year was expected, however, the year-end target of 3.7% has been achieved. Financial support to tenants was available through several teams including income, welfare reform, and money advice teams. The current arrears have increased by just over £0.3m this financial year, however, this was forecast and considered when setting targets.

Total arrears as a percentage of rent due - DH R&RA PM01a

- Both current tenant and former tenant arrears increased in quarter 4, however the year-end target of 5.5% was achieved.
- Improvements to processes and systems has been the main contributing factor to performance, including a new debt collection agency for former tenant arrears.

Rent arrears of current tenants - DH R&RA PM02

- The quarter 4/year-end figure of £2.18m is c. £0.3m higher than quarter 4 of 2021/22. The expected reduction over the last rent-free week of the year reduced arrears by +£0.35m, resulting in the achievement of target. The overall rise in

arrears has been driven by several factors, including the cost of living, a very small number of evictions, rising numbers of universal credit claimants and delays in receiving rent payments of Universal Credit.

Rent collected as a percentage of rent due - DH R&RA PM04

- The year-end figure of 99.3% is an improvement of 0.1% compared to quarter 4 2021/22 and exceeded the annual target of 99.0%.

Number of tenants evicted as a result of rent arrears - DH R&RA PM05

- There were only 6 evictions carried out within the year, and although this is 2 more than 2021/22, it is significantly below the forecast of 35.
- The cumulative reduction in evictions being carried out, compared to pre-pandemic figures, is c.100 lower than normal; this has had c.£0.3m adverse impact on the annual current tenants' arrears figures.
- The introduction of APS's has helped to reduce the number of warrants being requested, but it is expected that numbers will rise in 2023/24.

4.4.5 **Building Safety (Property Compliance measures)**

All 6 safety compliance measures have met their year-end targets of 100%.

4.4.6 **Empty Homes**

Average time taken to relet local authority housing (days) - DH EH PM 01

- The re-let figure for year-end is 22.7 days; this is below the annual target of 21.0 days and 2.2 days longer than quarter 4 in 2021/22.
- The measure was tracking on target up until quarter 4 but increased in the final month of the year. The newly established Empty Homes Team has implemented several actions aimed at reducing this figure for 2023/24.

Percentage of rent lost through dwellings becoming vacant - DH EH PM02

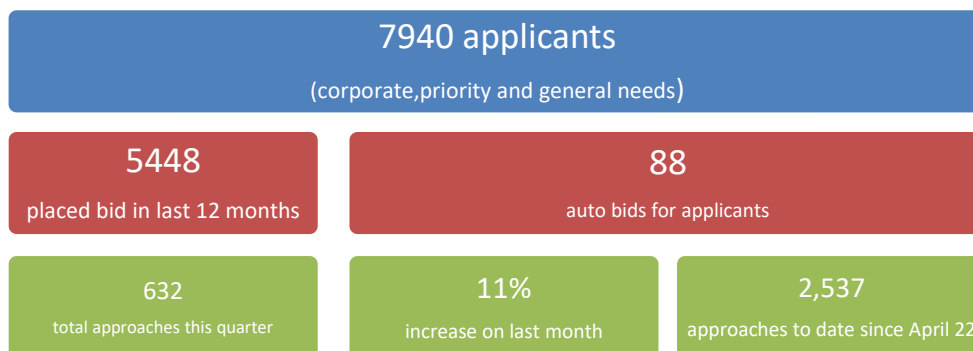
- Year-end performance is at 0.80% and has exceeded the target of 0.90% (blue).

4.4.7 **Housing and Advice (No targets set for these measures)**

Applications and approaches

- At the end of quarter 4, there are currently a total of 7,940 live applications across the corporate needs, priority needs and general needs bands.
- Corporate needs band – 1,668 live applications of which 1,141 have placed a bid within the last 12 months. Priority needs band – 5,972 live applications, of which 4,215 have placed a bid within the last 12 months. General needs band – 296 live applications of which 92 have placed a bid within the last 12 months
- A total of 5,448 applicants, across all 3 bands, have placed a bid in the last 12 months, including 88 auto-bids.

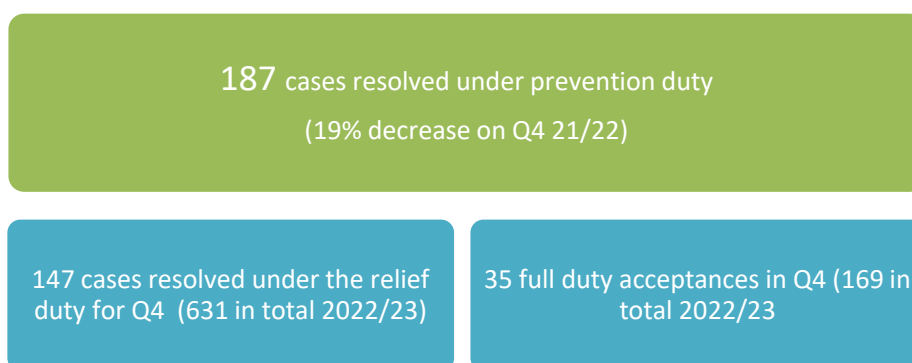
- Additionally, there are 2,359 live applications in the OTA category, 383 of which, have placed a bid in the last 12 months; this equates to 69% of all active applicants having placed a bid in the last 12 months across the 3 housing bands.
- There have been 2,537 homelessness approaches since April 2022, and 632 in



quarter 4, of which 235 were made in March 2023. This is an increase of 24 compared to last month.

Preventions and acceptances

- There have been 957 cases resolved under prevention duty since April 2022, with 187 cases resolved in quarter 4; this is a 19% decrease on the number of preventions in the preceding year and is indicative of the housing crisis. The number of affordable properties in the private rented sector is ever decreasing with landlords leaving the market and rent increasing, well above the level of the local housing allowance. It is, therefore, challenging to keep tenants in their private tenancies, or to source alternative properties in order to prevent homelessness. In addition, there has been a decrease in the number of available social sector properties, particularly general needs family housing.
- There were 147 cases resolved under the relief duty in quarter 4 (631 in total for 2022/23); this is a 10 % increase compared to the previous year and can be explained, in part, by the decrease in the number of successful prevention cases, which has meant households have moved onto relief duty. We are still managing to secure a good number of supported housing places for single homeless households which has brought the relief duty to an end.
- There were 35 full duty acceptances in quarter 4 and 169 at year end. This is an increase of 16% when compared to last year's figure due to the higher numbers recorded in the first 3 quarters of this year. This increase is likely to be because of the lack of available housing in all housing sectors, to be able to prevent or relieve homelessness before a main duty decision needs to be made.



Bed and Breakfast and Temporary Accommodation

- There have been 345 new single placements in bed and breakfast in 2022/23, with 46 placements in March; this is an increase of 22 when compared to February and is the highest number for a month this year. Some were placed as part of the Severe Weather provision for rough sleepers.
- There have been 258 new families placed in bed and breakfast in 2022/23, with 26 placements in March. There continues to be a high number of placements as the housing shortages create fewer opportunities to prevent, or relieve, homelessness.

Housing Options Service

- At year-end, the number of new positive private sector placements, (accommodation with a reasonable prospect of being available for 6 months or more), is 232.
- Accessing the PRS market continues to be challenging for our customers. Market rents in the East Midlands have seen the highest national % increase. The Local Housing Allowance rates for our area fall far short of market rents. The cost-of-living crisis and fuel poverty affect many of our customers. We are competing for properties with many other providers offering leasing packages, as well as private landlords maximising income by offering stock as a nightly, or holiday let, as an alternative to assured shorthold tenancies.
- Despite the ongoing challenges, our Private Rented Sector Access Team have continued to engage with landlords and agents to secure/sustain 232 PRS tenancies; this often means increasing our financial incentive to landlords, to encourage them to accept our referrals. We have successfully delivered the Vulnerable Renters Fund throughout the winter months and continue to focus 2 PRS Caseworkers, alongside the Housing Options Duty Team, to try and prevent homelessness from the private sector at the earliest opportunity. We continue to promote our Call B4 You Serve initiative to landlords and have recently produced landlord and tenant promotional leaflets advising of our offer.

Families with dependent children placed in bed and breakfast for over 42 days

- There were 26 families placed in bed and breakfast at the end of March 2023 and 258 since the beginning of the year. As previously stated, there continues to be a high number of placements as the housing shortages create fewer opportunities to prevent or relieve homelessness
- There were 11 families living in bed and breakfast at the end of March 2023, where the stay had exceeded 42 days. There is a shortage of affordable, stable, accommodation, which has reduced the opportunities to prevent or relieve homelessness. In addition, the lack of permanent housing has caused challenges in providing more suitable temporary accommodation where households in B&B cannot be moved on.

4.8 **Percentage of non-decent council homes – DH AM PM01**

- There are 73 properties (0.59%) identified with structural defect on the roof structure; these are located on Bretton Avenue and Constable Lane.
- These properties are now classed as 'non-decent' and will fail Decent Homes Guidance on this single element.

4.9 **Energy efficiency-average SAP rating of dwellings - DH AM PM02**

- The Average SAP for the stock at year-end is 75.85 and met target.

4.10 **HR**

Average working days lost due to sickness absence - DH HR PM01

- The number of days lost figure over the last 12 months is 10.15 days, which is down from 10.7 in March 2022, but considerable highly than previous years



- In March, alone, the number of days lost per employee for medical absences is 0.90 compared to 1.01 for the same period last year. In addition, a total of 4057.82 hours were lost compared to 4719.57 for the same period last year
- In total over the last 12 months, 47,168.38 hours have been lost due to sickness. Days lost figure for medical absences is 10.15 days.
- In the last 12 months 670.72 hours have been lost due to non-medical absences relating to Coronavirus/Covid 19 pandemic (self-isolation/care of a dependant etc).

Long term absence

- In total, over the last 12 months, 26,715.53 hours have been lost to long term absence, (number of days 5.78).
- The March 2023 figure for long term absences is 0.57 days, compared to 0.40 days for the same period last year.

Short term absence

- Over the last 12 months, 20,452.85 hours have been lost to short term; the number of days lost is 4.37 days.
- The March 2023 figure for short term absences was 0.33 days, compared to 0.61 days for the same period last year.
- During March 2023, a total of 1,511.72 hours has been lost due to short term absence, compared to 2,894.27 for the same period last year.

- 4.11 The commentary above relates to our level 2 KPI's. Additionally, at service level, there are a number of KPI's to assist managers in monitoring the performance in their teams; these are called Level 3 KPI's.

The Board may be aware of difficulties currently being experienced within our day-to-day team, around the backlog of non-urgent repair jobs; this can be evidenced in the Level 3 KPI's that monitor the percentage of jobs being completed within the target time; for the 2022/23 year these were:

Urgent Jobs

- 99.3% - Emergency Repairs – 2 hours make safe (completed 143, 142 on time, just 1 outside of target time).
- 99.0% - Very urgent – within 24 hours (completed 5,965, 5,908 on time, 57 outside of target time).
- 92.6% - Urgent – within 5 working days (completed 4,435, 4,106 on time, 329 outside of target time).

Non-Urgent Jobs

- 81.2% - within 25 working days (completed 10,293, 8,356 on time, 1,937 outside of target time).
- 66.8% - within 60 working days (completed 7,253, 4,847 on time, 2,406 outside of target time).

The Derby Homes main Board are being kept updated on the backlog of repair issues.

In March 2023, there were just over 6,000 outstanding jobs, compared with 4,125 in March 2022.

A more detailed explanation is included within the Head of Service's report, included elsewhere on the agenda.

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
Equalities Impact Assessment
Health & Safety
Risk
Policy Review

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

Sarah Oliffe/Corporate Performance Lead
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Background Information:	None
Supporting Information:	Quarter 4 / year-end performance report level 2 measures (appendix 1)

This report has been approved by the following officers:

Director of Finance and Company Secretary Managing Director Governance (checked)	Michael Kirk	25.05.2023
	Maria Murphy	26.05.2023
	Jane Haywood	16.05.2023