

**OPERATIONAL BOARD
23 FEBRUARY 2017**

ITEM 7

PERFORMANCE MANAGEMENT QUARTER 3

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report summarises the performance of Derby Homes for the third quarter of 2016/17, October 2016 to December 2016, for 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 three (up to 31 December 2016), 75% of measures, where data was available, achieved or exceeded their quarterly target compared to 80% at quarter two. 75% of performance measures are forecast to meet or exceed their year-end target.

2. RECOMMENDATION

- 2.1 To discuss and note the 2016/17 quarter three 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. The 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 2016/17. This incorporates 27 priority measures reported on a monthly / quarterly basis and 33 in total.
- 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 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 4.7.6 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.

4.6 Performance Monitoring 2016/17 – Quarter Three

4.6.1 A detailed summary of the performance measures is shown in Appendix 1, together with a guidance sheet for the summary at Appendix 2.

4.6.2 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	75% (18)	75%	79%
Amber - missed target by up to 5%	0% (0)	0%	6%
Red - missed target by more than 5%	25% (6)	25%	15%

Data was unavailable at quarter three for 'DH Local 07 Rent collected as a percentage of rent due (includes arrears brought forward)' and 'DH Local 30 Customer satisfaction with the Customer Service Team'.

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

- DH Local 32 Average time taken to re-let local authority housing – Target 24 Actual 25.3
- YA&H PM03 (NI 156) Number of Households living in Temporary Accommodation – Target 30 Actual 39 (Council Scorecard)
- YA&H PM04 – Number of Households placed in Bed and Breakfast Accommodation – Target 10 Actual 15
- YA&H PM05 – Number of Homelessness Preventions – Target 750 (annual target 1,000) Actual 412
- YA&H PM06 - Number of homeless acceptances –Target 277 (annual target

370) Actual 379 (Council Scorecard)

- DH Local 76 – Average working days lost to sickness absence – Target 6.8 Actual 8.3.

4.7 Key areas to note

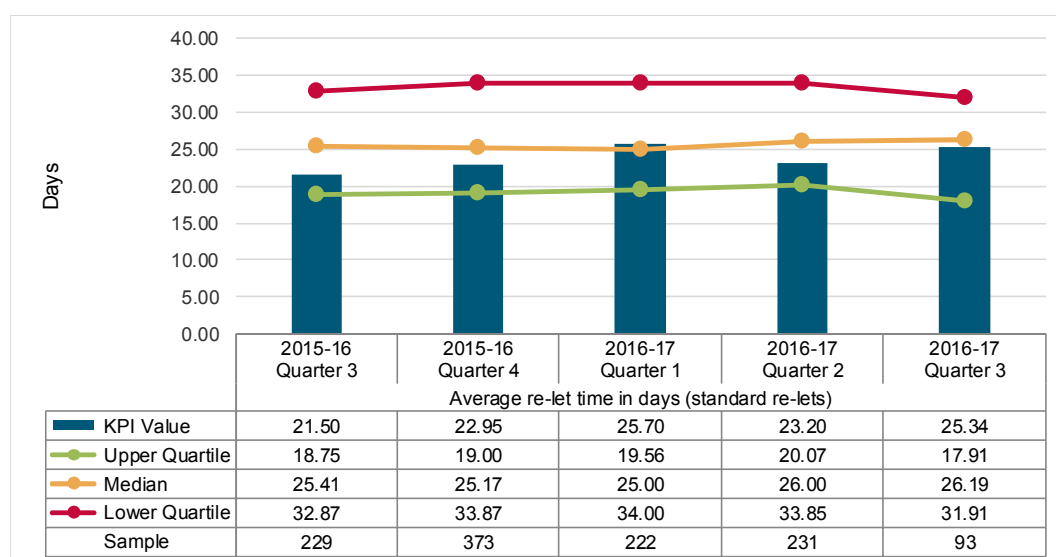
4.7.1 Rent Arrears

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

We have seen an increase in the number of evictions carried out this quarter compared to the same period last year (17 compared to 10) although the total number of evictions at this period remains lower (34 in 2016/17 compared to 39 in 2015/16) and performance remains below the quarter three target.

4.7.2 Voids & Relets

There has been a slight decrease in the average time (days) taken to re-let local authority housing (DH Local 32) which for quarter three was 25.3 and is above the year-end target. This places us in the second quartile when compared to the 93 housing organisations that have submitted data so far for Housemark's priority performance quarter three reporting.



Top quartile of our 'peer group' (open share organisations with between 10,000 to 15,000 stock) at the end of 2015/16 was 22.04, and Derby Homes were placed in the second quartile. Relevant heads of service conducted a forensic review of all voids in November and identified minor areas where performance may be improved. These have been communicated with relevant staff and are being closely monitored.

The average cost of a void for one day is approximately £11.

The number of properties let is slightly higher with 640 compared to 636 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%.

4.7.3 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, 21,273 repair jobs have been completed to date this year with only 15 out of timescale.

Of the 12,692 appointable jobs to date this year, 18 appointments have been missed. This was due to a major IT server failure, as this has now been replaced we do not envisage any further problems.

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.

4.7.4 Satisfaction

Three of the four satisfaction measures have met or exceeded their targets at quarter three. Data continues to be unavailable for the measure 'satisfaction with Customer Service Team'.

During quarter three a total of 685 responses were received to satisfaction surveys with 89.5% of tenants reporting that they are satisfied overall with the services provided by Derby Homes compared to 87.5% in quarter two, giving a cumulative satisfaction figure of 89% to date this year.

'Tenant satisfaction with views taken into account' has increased by 3.5% this quarter (86.3% in quarter three compared to 82.7% in quarter two) giving a cumulative satisfaction figure of 83.7%. This measure remains above target and is predicted to be 3% above the revised target of 82%.

We have also achieved a satisfaction figure of 95.5% so far this year with the way ASB cases were handled, which is 5% above the revised target of 90%.

4.7.5 New Homes

A number of sites which commenced at the beginning of the year have been delayed due to service connections but will be handed over this year,

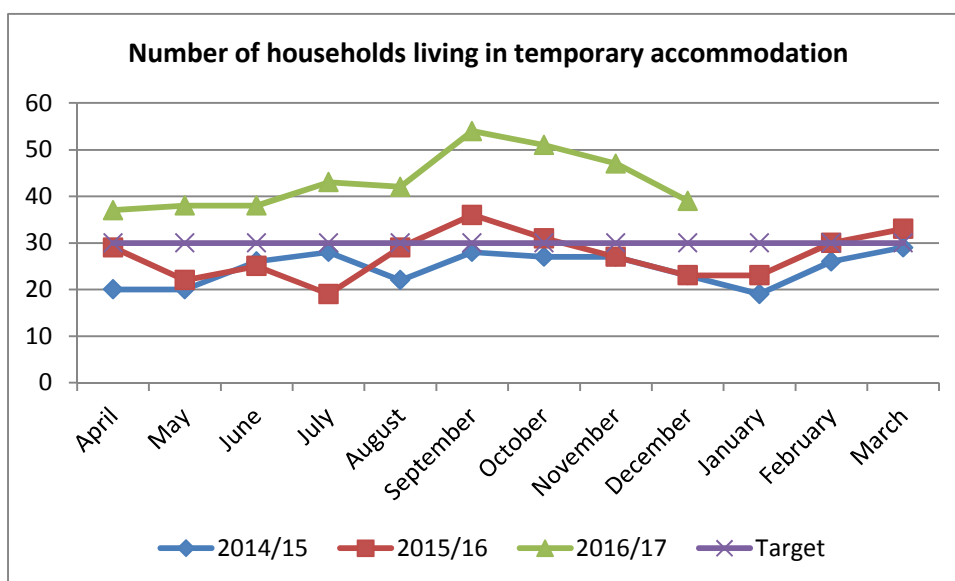
However, our total number of homes delivered so far, in partnership with DCC, against the overall target of 700 currently stands at over 300 with a further 100 approved for delivery over the next 12-18 months.

4.7.6 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. This reflects the challenging context which has seen rising trends in homelessness nationally.

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.

Over the last five years we have consistently limited the use of temporary accommodation to below 30 families / households. However, at the end of 2015/16 we were unable to maintain this position, with 33 households in temporary accommodation on 31/3/2016. The use of temporary accommodation has remained above target throughout 2016/17, peaking at 52 on 30/09/2016. We have seen a decrease during quarter three (39 households on 31/12/2016), however it remains an upward trend on previous years (as can be seen in the following graph).



The total number of households in temporary accommodation is dependent on two factors; the number of households approaching the authority who are actually homeless and the ability to discharge our duties both to those for whom we have a main duty but also those for whom we have a limited housing duty such as intentionally homeless.

The number of homelessness acceptances (YA&H PM06) is also increasing with a current year end forecast of 520 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.

4.7.7 Sickness Absence

We have seen an increase in the number of average working days lost due to sickness absence which currently stands at 8.3.

In the last quarter we can see that the main reasons for an employee beginning a new period of absence was for cough, cold and flu symptoms and this accounted for 20% of new absences with an average period of absence of 3 days. We experienced a spike in this type of absence in October and November. Flu jabs have been offered to all employees with 172 employees taking this up. This is reflective of short term seasonal illnesses.

The top 3 reasons for total days lost were stress – 13%, surgery - 10% and “Other” - 9%. We are working with First Care to decrease the number of absences being recorded as “other” and we will monitor this over the next period. Data shows that on average a stress absence causes a loss of up to 18 working days. In February we are signing the ‘Time to Change’ 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.

5. OTHER OPTIONS CONSIDERED

5.1 Not applicable.

IMPLICATIONS

6. COUNCIL IMPLICATIONS

6.1 Three 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:

Valerie Watson / Performance Planning Officer / 01332 643457 / Valerie.watson@derby.gov.uk

Background Information: None

Supporting Information: None