

HOUSEMARK COST AND PERFORMANCE BENCHMARKING ANALYSIS REPORT 2018/19

Report of the Finance Director & Company Secretary

1. SUMMARY

- 1.1 To report on Derby Homes' cost and performance information as detailed in the Housemark cost and performance benchmarking report 2018/19.

2. RECOMMENDATION

- 2.1 That the Board notes the finding of the report.

3. REASON(S) FOR RECOMMENDATION

- 3.1 Benchmarking information can be used as a self-assessment tool to understand, assess and challenge performance and costs, in order to improve quality and value for money in service review and delivery. It can provide essential business insight to help provide assurance and drive improvement.

4. MATTER FOR CONSIDERATION

- 4.1 Housemark's benchmarking service collects costs of service delivery, resources used and key performance indicators for social housing landlords who subscribe to their service. Housemark is the largest benchmarking and good practice group within the housing sector.
- 4.2 An analysis of the 2018/19 benchmarking report is shown at Appendix 1 for the main business activities of the organisation. Housing providers are able to choose which peer group to benchmark against. To maintain consistency Derby Homes decided to benchmark initial 2018/19 data against the same peer group criteria used in previous reports. This year we have compared ourselves against 45 organisations with between 10,000 and 15,000 stock.
- 4.3 Performance for the majority of key service areas is good or excellent. Of the seven service areas shown in figure 1 performance against the peer group has remained broadly the same as previous years. However, it is important to note, that when viewing the dashboard, care should be taken as there are a number of factors which will be influenced, sometimes heavily, by a range of other features and more detailed analysis may be required.

The overall balance of this report shows that there are no areas of real concern with regard to performance, and that there are several areas of excellent outcomes and value for money.

Figure 1: Value for Money Dashboard 2018-19



4.3 Key points to note:

- Five of the eight satisfaction indicators are in the upper quartile of the peer group.
- Major works and cyclical maintenance have reduced and we remain considerably lower than the median placing us in group one of the peer group.
- Responsive repairs and void work costs have increased but are still lower than the median and we remain in group one.
- Housing management costs have increased and are marginally higher than the median, placing us in group three of the peer group.
- Overhead costs remain reasonable at around £50 a year per property below the median – this is equivalent to approximately £0.65m a year in low costs incurred than compared to the median in the Housemark report.

5. OTHER OPTIONS CONSIDERED

5.1 Not applicable.

IMPLICATIONS

7. FINANCIAL AND BUSINESS PLAN IMPLICATIONS

7.1 Housemark core benchmarking helps us to understand, assess and challenge costs and performance in order to improve services and value for money, which features as one of the strategic objectives within the Delivery Plan. The benchmarking data supports the annual business planning process by helping us assess whether we have achieved optimum balance between inputs, outputs and outcomes and helps to inform intelligent target setting.

The areas listed below have no implications directly arising from this report:

Consultation
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:

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

Background Information: Housemark Cost & Performance Report 2019

Supporting Information: None

This report has been approved by the following officers where there are financial or legal implications:

Finance Director & Company Secretary	David Enticott	08/01/2020
Head of Finance	Michael Kirk	08/01/2020