

**DERBY HOMES BOARD
26 JULY 2018**

ITEM C2

PERFORMANCE MANAGEMENT – QUARTER FOUR / YEAR END RESULTS 2017/18

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report summarises the performance of Derby Homes for 2017/18 for key performance measures reported to Derby City Council. Overall year end 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 and identify actions that they are taking to address poor performance as shown at Appendix 1.
- 1.3 At the end of quarter four (up to 31 March 2018), 70% of measures, where data was available, achieved or exceeded their year-end target, with 23% exceeding target. Performance has improved or remained consistent in 2017/18 across 43% of our priority measures when compared with performance in 2016/17 and there are some areas of strong performance.

2. RECOMMENDATION

- 2.1 To discuss and note the 2017/18 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. 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 2017/18. This incorporates 31 priority measures reported on a monthly / quarterly basis and 38 in total. Eight measures do not have targets.

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 The following four priority measures are included within the Council Scorecard. 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.

- DH Local 62b Number of New Homes Delivered – see 4.7.5
- YA&H PM05 Number of Homeless Preventions – see 4.7.6
- YA&H PM06 Number of Homelessness Acceptances – see 4.7.6
- DH Local 48a Number of new households placed in bed & breakfast in a month – see 4.7.6

4.6 Performance Monitoring 2017/18 – Quarter Four / Year End

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 priority measures as approved by the Board and contained in the Delivery Plan are as follows:

Traffic Light Status	2017/18 performance	2016/17 performance
Green / Blue – met or exceeded target	70% (21)	73% (22)
Amber - missed target by up to 5%	3% (1)	0% (0)
Red - missed target by more than 5%	27% (8)	27% (8)

Note: The comparative figures in previous years may relate to a different set of performance measures as the measures are reviewed and refreshed annually.

The performance measures highlighted as red are as follows:

- DH Local 06 – Percentage of rent lost through dwellings becoming vacant – Target 0.8%, Actual 0.9%
- DH Local 74b –Percentage homelessness complaints responded to within timescale – Target 96%, Actual 83.3%
- DH Local 29 – Tenant satisfaction with views taken into account – Target 85%, Actual 79%
- DH Local 62a Number of new homes started in-year (HRA and DH) – Target 60, Actual 34

- DH Local 62b Number of new homes delivered in-year (HRA and DH) - Target 60, Actual 33
- YA&H PM05 – Number of homelessness preventions – Target 660, Actual 550
- DH Local 76 – Average working days lost to sickness absence – Target 7.0 Actual 8.2
- DH Local 120 – Energy Efficiency – average SAP rating of new build homes – Target 90, Actual 83

The performance measure highlighted as amber is as follows:

- DH Local 32 – Average time taken to relet local authority housing (days) – Target 24, Actual 24.5

4.7 Key areas to note

4.7.1 Rent Arrears

Performance in the rent arrears measures suite continues to be positive with all measures either meeting or exceeding their year-end targets. Rent arrears for current tenants is slightly higher than was forecast at quarter three but is still below the year-end target. This can be attributed, in part, to the open housing implementation which took team members away from the day to day job to reconfigure the system and undertake training.

Due to issues with the reporting process there have been changes to some of the measures since the attached appendix was produced, they are:

DH Local 02 – Rent arrears of current tenants – actual £1,224,036 - blue
DH Local 07 – Rent collected as a % of rent due (includes arrears brought forward) – actual 97.1% - green
DH Local 43 – Rent collected as a % of rent due (excludes arrears brought forward – actual 99.0% - green

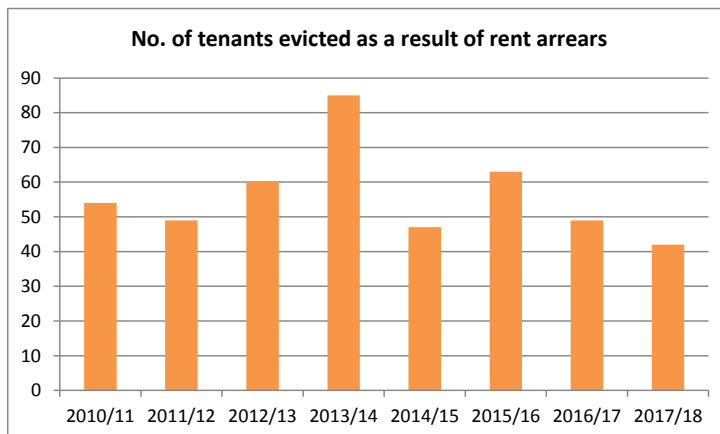
The team continue to focus on supporting tenants to maximise their income and sustain their tenancy including targeted campaigns of support to those tenants affected by the overall benefit cap and specialist officers managing Universal Credit (UC) cases.

Live roll out of Universal Credit is expected in July 2018. The Department of Work and Pensions (DWP) have only advised us on the month of the roll out, we will get a definite date nearer the time. When Derby goes live only families with 2 or less children will be able to claim UC as the DWP software is not yet in place to limit benefit to 2 children. We are potentially dealing with 2000 families who are Derby Homes' tenants.

Those with larger families will stay on legacy benefits until the software is in place, we do not have a date for this currently. From 31 December no new claims for UC have been accepted and the Gateway to make a claim has been closed. All new claims will go onto legacy benefits until July 2018 when we move to full service.

We currently have 186 UC claims and this figure will only change slightly during this period depending on claimants moving off the benefit due to obtaining full time work or moving in with a partner who is already receiving the benefit. Once this element of the roll out is complete, the DWP will start moving claimants off JSA, ESA, income support, housing benefit and tax credits over to universal credit. If a tenant is already in receipt of one of these benefits, they will probably be transferred onto UC between 2019 and 2022. So UC should be fully implemented by 2022.

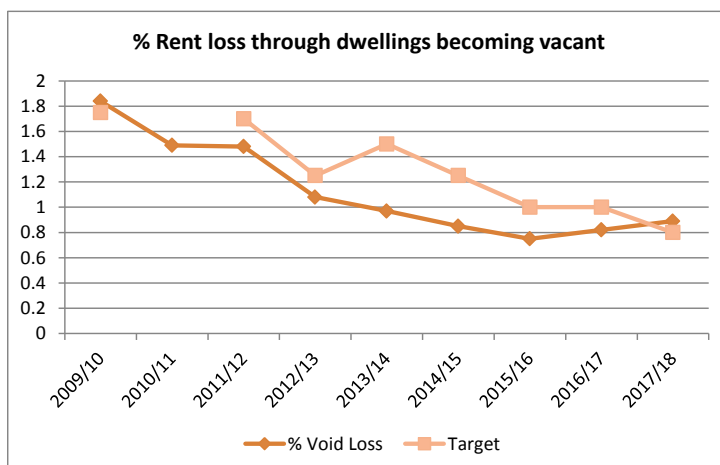
The number of tenants evicted as a result of rent arrears is the lowest they have been in the last eight years and is well within the year-end target of 55.



4.7.2 Voids & Relets

At 24.45 days we are marginally higher than the annual target of 24 for the average length of time taken to re-let our properties (DH Local 32). Performance has improved however, compared the same period in 2016/17 where the re-let figure was 25.31.

At less than 1.0%, minimising rent lost through dwellings becoming vacant (DH Local 06) continues to be an area of strength for Derby Homes. It should be noted that the target for this measure was reduced to 0.8% at the mid-year review to reflect the positive performance at the end of quarter two which has proved slightly too challenging at year-end and we are over target by 0.05%.



4.7.3 Housing Maintenance

Performance in completing responsive repairs across tenants' homes continues to remain consistent, with 100% of emergency repairs and 99.9% of very urgent repairs being completed within target timescales.

28,681 repair jobs have been completed in total this year with only 124 out of timescale.

We are currently unable to report a year-end figure for the number of appointments kept due to the Open housing implementation, but have submitted the quarter three outturn as it is not anticipated that there will be much change to this figure. A revised year-end figure will be uploaded onto the report as soon as it is available.

Tenant satisfaction with repairs remains high and above target at 99.5%.

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 an annual gas safety check carried out.

4.7.4 Satisfaction

Three of the four satisfaction measures have met or exceeded their targets.

We have achieved a satisfaction figure of 92% this year with the way ASB cases were handled, which is a slight dip when compared to 2016/17 (95%) but is still above the target of 90%.

The annual satisfaction figures for 'views taken into account' and satisfaction with landlord' includes data collected during quarters one, two and three. Quarter one and two data was collected over the phone, and quarter three data collected during the 2017 Door Knock campaign.

91% of the 2,975 respondents reported that they are satisfied with the services provided by Derby Homes.

79% of respondents were satisfied that their views are taken into account. Out of the 1,896 people who answered this question during the quarter three Door Knock campaign 73% stated they were satisfied and 20% responded that they were neither satisfied nor dissatisfied. This has adversely affected our overall satisfaction result for this question. If we were to remove the neither / nor responses, satisfaction for this measure would be 91%.

4.7.5 Investment

100% of properties continue to meet the Decent Homes standard.

Following the move to RDSAP 9.92 it was recently identified the software was making assumptions regarding some of the data being recorded. When this was identified and changed to the correct figures, it resulted in a slight decrease in figures from the start of the year which brought the Average SAP rating of dwellings down from 73.9 in 2016/17 to 73.7 in 2017/18. However we still achieved the agreed target.

The average SAP for new build homes was a new measure for 2017/18. The target was set with no historic data being available. The homes completed last year were built to current building regulations with high levels of thermal insulation. The outturn figure is still well above the average for the housing stock.

The total number of new homes delivered (DH Local 62b) as at 31 March 2018, in partnership with Derby City Council, stands at 354 since 2013, with 33 units delivered this financial year. The target of 60 a year is based on financial capacity which has not been met this year as insufficient sites came forward over the last year.

The number of new homes started (DH Local 62a) during the year was 34 with 14 new build starts in January 2018.

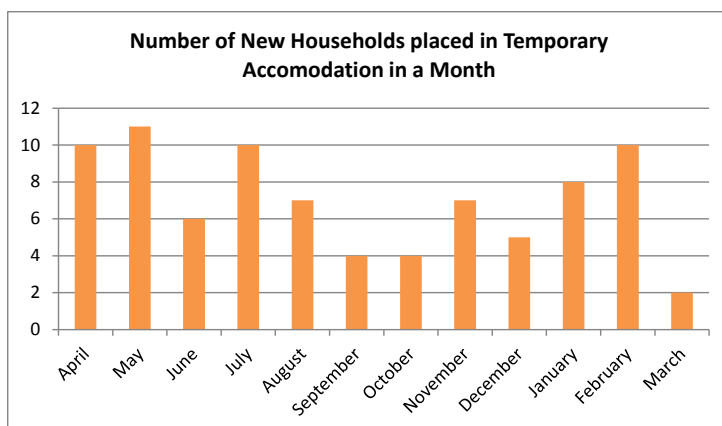
Both of the above measures fall short of their targets due to a continued shortage of available sites. We are working pro-actively with colleagues in DCC Planning, Property Services and Estates to:

- ensure a steady flow of new site feasibilities is being considered by the Planning Department in order to deal with actual scheme proposals efficiently
- initiate the transfer of suitable land into the HRA for further housing development
- use framework architects in addition to DCC Architectural services to get around capacity bottlenecks.

4.7.6 Homelessness

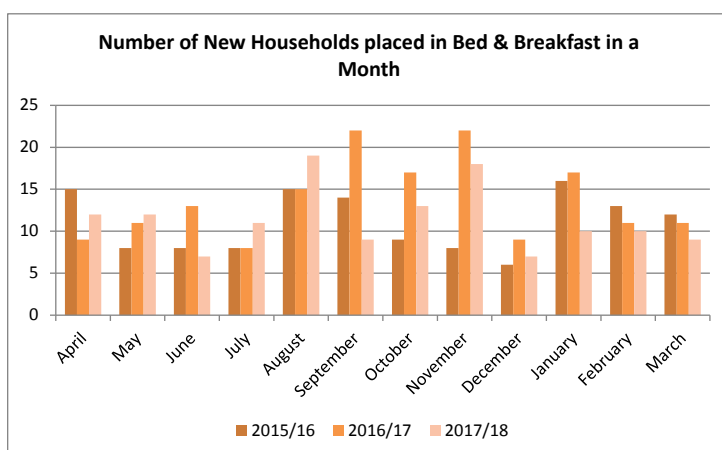
The Local Authority has a statutory duty to give advice to anyone who is homeless or at risk of homelessness. During 2017/18, there were 552 prevention cases, a reduction of 3% compared to 2016/17, and is below the annual target of 660. However, with the introduction of the Homelessness Reduction Act this month and the reconfiguration of our services we anticipate an increase in this figure going forward.

Homeless approaches have remained steady with 1,024 households presenting as homeless during 2017/18, and is 10% (110) lower than the year end figure in 2016/17. The number of homelessness acceptances (under Housing Act 1996) is slightly lower compared to the previous year (478 in 2017/18 compared to 499 in 2016/17) but still represents an increase on previous years.



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. 84 new households have been placed in temporary accommodation (other than bed and breakfast) since April 2017.

Bed and breakfast for families should only be used in emergencies. There have been 137 placements this year compared to 165 in 2016/17.



4.7.7 Sickness Absence

At the end of Quarter four, sickness absence was 8.2 days per full time equivalent (FTE) which exceeds the target of 7 days. Management continue to analyse trends amongst the workforce and take prompt actions when an employee has hit a trigger. We are working closely with Derby City Council human resource advisors to advice and support on attendance management case.

4.7.8 Corporate Services

Performance in this area continues to remain positive. Seven apprentices completed their apprenticeship this year with all of them either gaining employment or moving onto further education.

We are now working towards 2018's intake of apprentices. The apprenticeship vacancies will be advertised during May with recruitment and selection processes taking place during the summer in time for a start date of September. We will be taking on a total of 16 new apprentices.

We have attended numerous careers fairs to promote our apprenticeship vacancies as well as delivering a CV Workshop at a secondary school.

A work experience policy for Derby Homes has recently been introduced. The policy contains guidelines for Derby Homes when considering and accommodating requests for work-experience. Derby Homes acknowledges the importance of work-experience to students and young people. As a local employer, Derby Homes accepts a responsibility to provide meaningful work-experience as an opportunity for participants to gain an understanding of the requirements of the particular occupational area in which they are placed. We will not use work-experience participants as a substitute for filling vacant positions. Work-experience positions are extra positions and for a short period of time.

5. OTHER OPTIONS CONSIDERED

5.1 Not applicable.

IMPLICATIONS

6. COUNCIL IMPLICATIONS

6.1 Four 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