

PERFORMANCE MANAGEMENT – QUARTER TWO REPORT 2020/21

Report of the Finance Director and Company Secretary

1. SUMMARY

- 1.1 This report presents a summary of performance for quarter two 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 two (up to 30 September 2020), 76% of measures, where data was available, achieved or exceeded their target and 73% are forecast to meet or exceed their year-end target.
- 1.4 In specific circumstances targets can be revised during the reporting year providing a clear rationale for any revision is presented and appropriate approval sought. This report presents the Operational Board with proposed changes to the scorecard following a mid-year review. The changes are subject to approval by Derby City Council.

2. RECOMMENDATION

- 2.1 To discuss and note the 2020/21 quarter two performance results.
- 2.2 To approve the proposed changes to the performance targets, made as part of the mid-year target review, set out in Appendix 2

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 **Mid-year Review**

4.4.1 A mid-year review of both measures and targets has been completed. The purpose of this exercise is to make sure that the performance report reflects the right measures and that the targets set for improvement are SMART (specific, measurable, achievable, relevant and time-bound). As part of this, we consider whether:

- a) The target is not sufficiently stretching based on latest performance results or latest benchmarking information; or
- b) The target is too stretching based on changing performance due to external factors (i.e. increasing demand, loss of capacity / resources etc.).

4.4.2 There are nine measures where a change to the target is proposed:

- DH SAT PM02 Tenant satisfaction with views taken into account
- DH R&RA PM01 Rent arrears of current tenants as a percentage of rent roll
- DH R&RA PM01a Total arrears as a % of rent due
- DH R&RA PM02 Rent arrears of current tenants
- DH R&RA PM04 Rent collected (excluding arrears brought forward) as a percentage of rent due
- DH R&RA PM05 No. of tenants evicted as a result of rent arrears
- DH EH PM02 - % of rent lost through dwellings becoming vacant
- DH NH PM01 Number of new homes started in year (HRA & DH)
- DH NH PM02 Number of new homes delivered in year (HRA & DH)

These changes are set out in Appendix 2. All proposed changes to measures and targets were discussed at Senior Management Team (SMT) during the week of 26 October.

4.4.3 All proposed changes to targets will be presented to Derby City Council meeting for approval.

4.5 Performance Monitoring 2020/21 – Quarter Two

4.5.1 Performance within quarter two continues to be significantly affected by the lockdown measures introduced to control COVID-19. Summary commentary against each indicator gives more detail.

4.5.2 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:

Status	Q2 2020/21 performance	Forecast Q4 2020/21 performance
Blue	8% (2)	10% (3)
Green	64% (16)	63% (19)
Amber	8% (2)	3% (1)
Red	20% (5)	23% (7)
No target / annual	17	13
Missing data	1	

Disparity in calculations is due to rounding.

The performance measures highlighted as red are:

- DH SAT PM02 Tenant satisfaction with views taken into account – Target 80%, Actual 63.8%, Year-End Forecast 75%*
- DH NH PM01 Number of new homes started in year (HRA & DH) – annual target 130, Year End Forecast 100*
- DH R&RA PM01 Rent arrears of current tenants as a percentage of rent roll – Quarter Two Target 3.1%, Actual 3.9%, Annual Target 2.8%, Year End Forecast 4%*
- DH R&RA PM01a Total arrears as a % of rent due – Year-End Target 4.8%, Year-End Forecast 7%*
- DH R&RA PM02 Rent arrears of current tenants – Quarter Two Target £1,680,264, Actual £2,235,733, Annual Target £1.5m, Year End Forecast £2.3m*
- DH EH PM01 – Average time taken to relet local authority housing (days) – Target 24, Actual 56.7, Year-End Forecast 60
- DH EH PM02 - % of rent lost through dwellings becoming vacant – Target 1.0%, Actual 1.9%, Year-End Forecast 2.0%*
- DH H&A PM12 Number of new positive private sector placements (accommodation with a reasonable prospect of being available for 6 months or more) – Target 250, Year-End Forecast 180 (annual measure, forecast to miss year- end target).

(*these are also new targets requested)

The performance measures highlighted as amber are:

- DH CS PM01 Percentage of all complaints resolved at initial contact – Target 97%, Actual 94.3%

- 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 92.9%

4.5 **Key areas to note**

4.5.1 **Satisfaction**

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

- DH SAT PM 01 Tenant satisfaction with Landlord
- DH SAT PM 02 Tenant satisfaction with views taken into account
- DH SAT PM 06 Percentage of respondents satisfied with their neighbourhood as a place to live

As services became more settled, our overarching customer satisfaction survey restarted towards the end of July.

DH SAT PM 01 and 06 are both on target for quarter two and are forecast to meet year end targets.

DH SAT PM02 Tenant satisfaction with views taken into account ; out of the 47 customers who responded 30 were satisfied (63.8%), 13 were neither satisfied nor dissatisfied (27.66%) and only 4 were dissatisfied (8.5%).

We altered the survey this year to include a filter question before asking the main question. This was to ensure that customers who respond to this question have previously provided feedback to Derby Homes. The change has led to a much smaller number of respondents to those we saw previously and as yet we have no relevant data to compare it to. Although we have a more meaningful sample we are also aware that less people responding can have a major impact on overall percentage figures.

When interrogating the data further we can also see that the number of customers who answered 'undecided' has increased 7% since the pandemic. For the year 19/20 the total percentage of undecided customers was 20.43% compared to 27.66% this year. We interpret this to mean that customers may have higher priorities given the pressures in the current climate and are less inclined to comment one way or another.

The Kitchen and Bathroom Programme was postponed during quarter one and part way through quarter two due to the pandemic. The programme restarted on 3rd August 2020 and has mainly installed kitchens in void properties, therefore there is no data to report at this time.

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

4.5.2 Customer Services

94.3% of complaints received were resolved at initial contact which is slightly below the target of 97% but a 1.3% improvement on last quarter. Of the 127 complaints closed this financial year, 121 were resolved at initial contact.

4.5.3 New Homes

A total of 531 new affordable homes have been delivered since 2008 in partnership with Derby City Council, with 17 completions by quarter two. 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

As at week ending Sunday 18th October 2020 (rent week 28), the current rent arrears position is just over £2.58m. At the same time last year they were £1.65m, an increase of over £0.9m on the year before. We still expect to the year-end outcome to be around the £2.3m mark as the period of non-enforcement action due to COVID lockdown has now ended. Headline COVID related factors on arrears include:

- Tenants' employment and incomes impacted.
- Higher number of tenants now on Universal Credit.
- Limited action taken on formal recovery action - HM Courts have now commenced hearings and evictions from 21st September

All this means that any major turnaround in rent arrears will most likely come in the Quarter 4.

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 but the forecast is that the target will be met. All other new measures have achieved 100% compliance.

Electrical testing restarted 15 July following the Covid -19 outbreak., In quarter two 543 tests were completed, currently at 99.3% but forecast to be at 100% compliance in quarter three.

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 56.69 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.

At 29/09/20 out of 6727 applicants on the register, 4312 were active. The Housing options service saw a decline in demand for advice and assistance with a reduction in homeless approaches of 23% during the quarter one when compared with the same period in the previous financial year. In quarter two the cumulative number of approaches is 1098, an increase of 577 (13%) on the last quarter. With the exception of August there has been a month on month increase on this number.

The total number of cases successfully resolved at prevention stage since April is 425, with 275 cases resolved this quarter. These outcomes have been achieved by the continued efforts of the Housing options team to provide a better solution for our customers and avoid the need for temporary accommodation, either remain in their home or moving to a new home without ever becoming homeless.

There have been 245 single homeless placements in bed and breakfast accommodation since April, with 43 placements in September an increase of 5 on August figure. The 'Everyone in' initiative remains in place resulting in the high number of placements. Since April there have been 52 families placed in B&B, with 11 in August an increase from 5 in the previous month. In the same

period 77 new households were placed in temporary accommodation other than B&B, with 21 placements in September the largest number this year. As a result of government guidance issued during the Covid pandemic prioritising social housing allocations to households living in temporary accommodation, a greater number of households moving to permanent housing creating more temporary vacancies.

Quarter two has also seen an increase in new positive rented sector placements, following the easing of restrictions on house moves. 70 placements were made in this period, which is on track. Following the lifting of the evictions ban, an increase in landlords seeking possession of their properties is anticipated. We are working with partners to deliver a Private Sector Recovery plan, including a city wide communications campaign aimed at both landlords and tenants offering early advice and support to prevent evictions and homelessness at the earliest opportunity.

4.5.8 HR

During September, the average number of days lost per employee for medical absences was 0.51 compared with 0.61 for the same period last year. A total of 2352.05 hours were lost in quarter two compared to 2739.56 hours for the same period in 2019/20. A total of 32,559.86 hours lost due to sickness absence over the last 12 months.

The last 12 month figure days lost figure is 7.05 days

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 two 435.72 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:

Kas Sahota / Improvement Officer / 01332 643481 / kas.sahota@derby.gov.uk

Background Information: None

Supporting Information: None

This report has been approved by the following officers:

Finance Director	David Enticott	16/11/20
-------------------------	----------------	----------