

## **PERFORMANCE MANAGEMENT–QUARTER ONE REPORT 2022/23**

Report of the Finance Director and Company Secretary

### **1. SUMMARY**

- 1.1 This report presents a summary of performance for quarter one 2022/23, from key performance measures reported to Derby City Council. Overall performance is positive with a few areas to be addressed where possible.
- 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 and to update year end forecasts, as shown at Appendix 1.

### **2. RECOMMENDATION**

- 2.1 To discuss and note the 2022/23 quarter one performance trends.

### **3. REASON FOR RECOMMENDATION**

- 3.1 The Board of Derby Homes has delegated responsibility to the Operational Board for the in-year oversight 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 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 2022/23. This incorporates 33 priority measures reported on a monthly/quarterly basis and 43 in total. At Quarter One **81%** of measures either met or exceeded target, with the forecast that **87.5%** of measures will meet or exceed year end targets.

## 4.3 Performance Monitoring 2022/23 Quarter One

4.3.1 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

4.3.2 Summary performance results (where data is available) as approved by the Board and contained in the Delivery Plan are as follows:

March 2022	Target Status Q1 performance	Forecast Status Q1 performance
<b>Blue</b>	8% (2)	3.5% (1)
<b>Green</b>	73% (19)	84% (26)
<b>Amber</b>	4% (1)	3.5% (1)
<b>Red</b>	15% (4)	9% (3)
No target / data	9	11
Annual Collection/NA	9	2

*Percentages may not add up to 100% due to rounding up*

### The performance measures highlighted as red are:

- DH SAT PM04 Satisfaction with new home (new build and re-let) actual 83.3% against a target of 93% but forecasted to be on target for year end.
- DH NH PM01 Number of new homes started in year (HRA & DH) forecast 40 but target is 60 for year-end
- DH NH PM02 Number of new homes delivered in year (HRA & DH) forecast 40 but target is 60 for year-end
- DH R&RA PM01 Rent Arrears of current tenants as a percentage of rent roll, actual 3.6% against a target of 3.2% but forecast to be on target at 3.7%
- DH R&RA PM01 Rent Arrears of current tenants, actual £2.13m against a target of £1.9m but forecast to be on target at £2.2m at year end.
- DH AM PM01 Percentage of non-decent council homes, actual and forecast 0.6% against target of 0%
- DH HR PM01 Average working days lost due to sickness absence - actual 11.6 against target of 8.75

### The performance measures highlighted as amber are:

- DH NH PM03 Number of new affordable homes delivered since 2008, forecast 680 but target is 709 for year-end.
- DH R&RA PM01 Total arrears as a percentage of rent due, actual 5.4% against a target of 5.1 % but forecast to be on target at 5.4%

## 4.4 Key areas to note

### 4.4.1 Satisfaction

At quarter one; **seven out of eight satisfaction measures**; including *overall satisfaction with the landlord, repairs, handling of ASB cases, neighbourhood, Derby Advice and major improvements* are meeting quarter one targets and forecast to meet year-end targets.

Satisfaction with;

- The new measure 'Tenant satisfaction with listened to my feedback', replacing 'Views taken into account,' has exceeded quarter one target and forecast to exceed year-end target (86.3% against 75%)
- Satisfaction with new home is off target for this quarter (83.3% against 93% target) but is forecast to meet the year-end target of 93%.

### 4.4.2 Customer Services

- Both new percentage of closed stage 1 and stage 2 complaints responded to within timescale measures are on target for this quarter
- The new measure for escalation of closed stage 1 complaints to stage 2 is also on target at 5% (3 complaints from a total of 60)
- Three complaints were escalated to the ombudsman this quarter and we received 1 determination back from them. The determination found no mal-administration from Derby Homes. No complaints were upheld. On target for this quarter and forecast to remain so at year end.
- The number of tenants registered to My Account on-line this quarter is 8,030 up from 7,901 last quarter. The forecast for year-end is 9,000.

### 4.4.3 New Homes

- DH NH PM01 Number of new homes started in year (HRA & DH)
- DH NH PM02 Number of new homes delivered in year (HRA & DH)

There were 5 on site starts through the acquisition programme this quarter. Market prices are very high, and we are frequently outbid. Two 4 bed new build starts at Whittaker Street were delayed by engineering issues but expected in Q2. DCC pulled out of the 10 property RSAP Round 2 bid, due to low Homes England grant rates on offer. Funding via Right to Buy is a better route for these.

**ACTIONS:** Expected start at Monyash Close on completion of Berwick Close scheme in October 2022 (Q3). We have a healthy pipeline of schemes being made ready through external contractors.

- DH NH PM03 Number of new affordable homes delivered since 2008

This year looks more promising for new build with the delayed Whittaker Street scheme hopefully starting in Q3 of 22/23, followed by Barlow Street (12 units) and Crompton and Oaklands Avenue (6 units each) packaged up as a 24-unit package with a builder/project manager contract.

**ACTIONS:** As well as Monyash Close we also have schemes in the pipeline at Paterson Avenue (6), Cricklewood Road (5), Elm Tree (2) all with planning permission and eligible to be contracted out to SoS in 2022/23. The 36-unit site at Grange Avenue has had planning permission granted subject to pre-start conditions which we are now working through.

#### 4.4.4 Rent and Rent Arrears

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

- For quarter one rent arrears as a percentage of rent roll is 3.6%, short of the target of 3.2% and red but forecast to meet year-end target of 3.7%

A recent House Mark report has highlighted the increase we are experiencing in current tenant's arrears (CTA) is also happening nationally, with steady increases in arrears month by month compared to last year. Cost of living difficulties impacting on CTA.

Even with the promise of Government help in the form of various support packages for low-income families, the pressure on household finances is not likely to ease during this financial year. The Income Teams will continue to try and maximise tenant's income with support for benefit claims, money advice and funds available.

##### **DH R&RA PM02 Rent arrears of current tenants**

- The current rent arrears figure for quarter one is £2.13m against a target of £1.9m and has risen by over £141,000 in the last month but we are forecasting the year-end target of £2.2m will be met.

This has been expected as monthly direct debit levels are set to levels that include rent free weeks that fall at the end of the year. However, arrears are increasing due to the rising cost of living, the team are encouraging tenants to claim all available support including the housing support fund.

##### **DH R&RA PM 01a Total arrears as a % of rent due**

This measure is at 5.4% against a quarter one target of 5.1% and amber. Both current and former tenant arrears are up over the last month but our switch to a new debt collection agency for former tenant arrears should put us back on target for year end. Write offs are done monthly to keep on top with this measure.

- Rent collection rates for arrears excluding arrears brought forward is good at 99%

##### **DH R&RA PM05 No. of tenants evicted as a result of rent arrears**

- There were only 3 evictions carried out in the year- (Blue) against our target of 9.

Although the introduction of APA's has helped reduce the number of warrants being requested, it is expected that the number of evictions will start to increase as the year progresses.

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

- All our safety compliance measures are on target at quarter one and forecast to meet year-end targets

#### 4.4.6 Empty Homes

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

- The re-let figure for this quarter is 19.2 days and on target also for year end. We are maintaining good performance from last quarter.

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

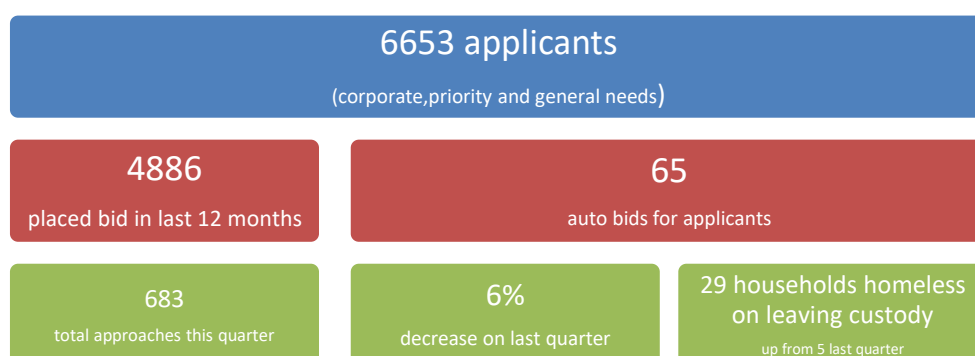
Q1 performance is at 0.83% and on target of 0.9%, continuing to improve on last year and forecast to exceed target at 0.83% against 0.9% target.

#### 4.4.7 Housing and Advice

##### Applications and approaches

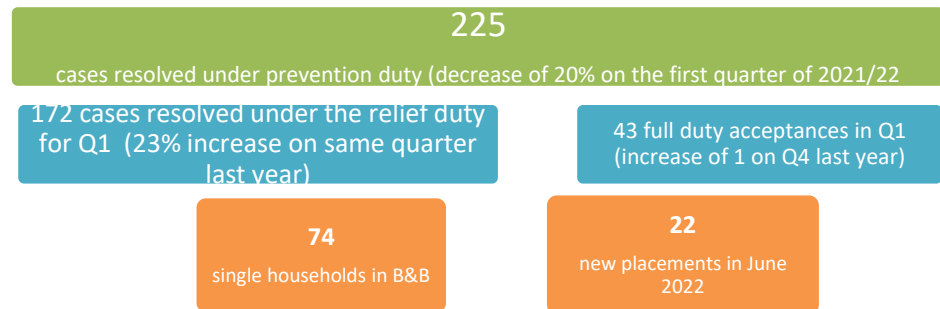
- As of 30 June, 2022 there were 6653 active applications across the housing register in the Corporate Needs, Priority Needs and General Needs band.
- 4886 of these have placed a bid in the last 12 months, this includes 65 auto-bids for applicants.
- There are also 1823 'open to all' applications registered with 284 of these bidding in the last 12 months. This equates to 73% of active applicants who have placed a bid in the last 3 months.

The total number of approaches for quarter one is 683, this is a 6% decrease since last quarter but still second highest quarterly figure since the Homelessness Reduction Act in April 2018. There has been a steady increase in the reported numbers of those being homeless on leaving custody with 29 households this month in comparison with only 5 in the same quarter last year. Reporting on these cases has become more accurate with the increased usage and recording of statutory Duty to Refer referrals from probation.



## Preventions and acceptances

- There have been 225 cases resolved under prevention duty in Q1. This is a decrease of 20% on the first quarter of 2021/22 and indicates the difficulties being experienced in preventing homelessness particularly in the case of the end of privately rented housing. This is a national problem with landlords leaving the market or being able to command higher rents which are beyond the majority of homeless households.
- There were 172 cases resolved under the relief duty this year- This is a 23% increase on the figure for the first quarter of 2021/22 and is in part due to the successful move on of households with no dependent children



within the supported housing sector.

- There were 43 full duty acceptances in this quarter. This is an increase of 1 on the figure for Q4 last year and is an indicator of the difficulties being faced in preventing and relieving homelessness before this stage. There is a shortage of both social and private rented housing with the latter being particularly difficult to source as a long- term housing solution because of the prohibitive cost of the rents

## Bed and Breakfast and Temporary Accommodation

- There have been 66 new family placements in bed and breakfast since April, with 21 placements in June. This is 7 fewer than in May which saw a higher-than-normal number of placements.
- We are still experiencing a high number of placements due to the shortage of longer-term housing solutions in both the social and private rented sectors.
- There have been 43 new households placed in temporary accommodation other than bed and breakfast since the beginning of April with 16 of those placements occurring in June.
- We are still seeing the positive effect of the direct let allocation policy of 35 units to move households on from the non-secure tenancies. This has created some vacancies to move households out of unsuitable bed and breakfast

## **Housing Options Service**

The demand for the Housing Options Service continues to increase and with a cost-of-living crisis and fuel bills expected to rise again in October, it is likely we will see further evictions from the private rented sector (PRS). Many of our customers cannot afford to meet the shortfall between Local Housing Allowance rates and the increasing market rents.

Despite this, PRS Case workers continue to canvass landlords and secure new tenancies in the PRS, however it is proving far more time consuming and costly than pre-pandemic. Our offer (incentives) to landlords has had to increase.

**ACTIONS:** We have re-aligned PRS case workers within the wider service, one with a focus on targeting customers in all Temporary Accommodation in an effort to help them move-on and manage their expectations about what housing options are available. Two of the 6 PRS Case workers have now been tasked with sitting alongside the first point of contact/Access Team in Housing Options.

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

- There was one family with dependent children who had been in bed and breakfast for over 42 days at the end of the quarter.
- This is a new indicator for the authority but has been collected by central government for many years.
- We have been struggling to move families onto more suitable temporary housing because of the lack of through flow into more permanent housing.
- We are exploring alternative sources of temporary accommodation to alleviate the pressure on the increasingly limited social housing options.

4.8

### **AM PM01 Percentage of non-decent council homes**

We have 70 properties at Bretton Avenue identified with structural defect on the roof structure. These properties are now classed as non-Decent and fail the Decent Homes Standards on this single element. - This represents just over half a percent of our stock, with around 99.5% of properties meeting the Decent Homes Standard.

### **DH AM PM02 Energy Efficiency-average SAP rating of dwellings**

- The Average SAP for the stock is currently at 75.6 and forecast to meet year-end target.

4.4.9 **HR**

### **DH HR PM01 Average working days lost due to sickness absence**

The overall figure for the above measure is 11.6 days lost, this is up slightly from 10.7 days in Q4 2021/22.

This is split:

- Short term absence – 5.4 days
- Long term absence – 6.2 days

One of the key factors behind the high levels of medical absences was the increase in stress and anxiety in mental health category. We will monitor these trends closely in 2022/23 to draw historical trends and comparisons.

## **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:

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

Background Information: Quarter 1 Performance report level 1 and 2 measures (appendix 1)

Supporting Information: none

**This report has been approved by the following officers:**

<b>Director of Finance and Company Secretary</b>  <b>Head of Service</b> (Operational Board reports) <b>Head of Housing Management</b> <b>Other(s)</b>	Michael Kirk	25/08/22
--	--------------	----------