

PERFORMANCE MANAGEMENT 2015/16 - YEAR END RESULTS

Report of the Finance Director & Company Secretary

1. SUMMARY

- 1.1 This report includes highlights from key performance measures reported to Derby City Council. Overall year end performance remains excellent 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 2016), 79% of priority measures have met their year-end target, with 35% exceeding target. Performance has improved or remains consistent in 2015/16 across 50% of our priority measures when compared with performance in 2014/15 and there are some areas of strong performance.

2. RECOMMENDATION

- 2.1 To comment on the year-end performance results for 2015/16.

3. MATTER FOR CONSIDERATION

- 3.1 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
- 3.2 The contents of this performance report and supporting appendices is based on priority measures as approved by the Operational Board and contained in the Delivery Plan 2015/16. This incorporates 29 priority measures reported on a monthly / quarterly basis and 36 in total.

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

3.3 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.

- DH Local 62b Number of New Homes Delivered – see 3.5.8
- YA&H PM03 (NI156) Number of Households living in Temporary Accommodation – see 3.5.9
- YA&H PM06 Number of Homelessness Acceptances – see 3.5.9

3.4 Performance Monitoring 2015/16 – Year End

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

3.4.2 Summary performance results for all monthly / quarterly priority measures as approved by the Operational Board and contained in the Delivery Plan are as follows:

Traffic Light Status	2015/16 performance	2014/15 Performance	2013/14 Performance
Green / Blue – met or exceeded target	79% (27)	84% (26)	81%
Amber - missed target by up to 5%	6% (2)	6% (2)	14%
Red - missed target by more than 5%	15% (5)	10% (3)	5%

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 at the year-end are as follows:

- DH Local 89 – Number of tenants seen by money advice with rent arrears – Target 250 Actual 197
- DH Local 62b – Number of New Homes Delivered –Target 120 Actual 105
- YA&H PM03 (NI 156) Number of Households living in Temporary Accommodation – Target 30 Actual 33
- YA&H PM05 – Number of Homelessness Preventions – Target 1,000 Actual 903
- DH Local 39a Adaptations – Average time from referral to large adaptations – Target 80 Actual 111.1

3.5 Key areas to note

3.5.1 Rent Arrears

Performance in the rent arrears measures suite continues to be excellent and have either met or exceeded their year-end targets, with an improvement in the overall position when compared to quarter three. In particular the measure 'DH

Local 43 - Rent collected as a % of rent due (excludes rent brought forward) was forecast to be slightly below target at year end but has improved significantly with a year-end outturn of 0.21% better than target.

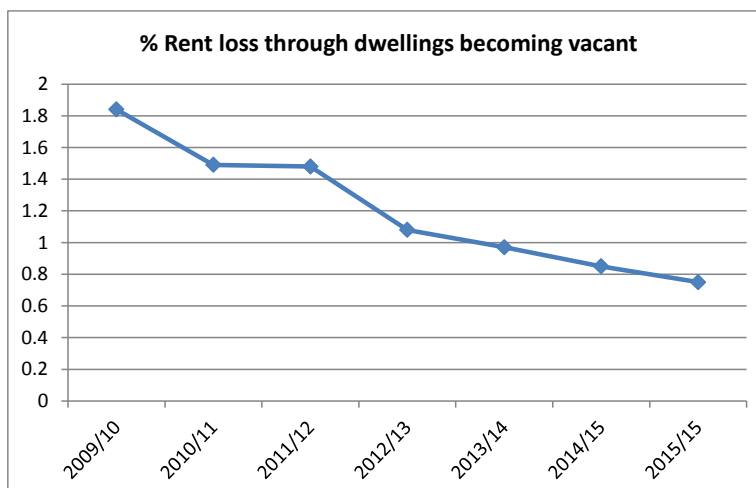
There is currently an issue with reporting on a number of indicators in this area and so a manual calculation of 2.0% has been submitted for the measure '*DH Local 01 - Rent arrears of current tenants as a percentage of rent roll*'. Based on the manually calculated figure performance has improved by 0.06% compared to 2014/15 and is within the year-end target by 0.25%.

Although performance is behind target for '*DH Local 89 - Number of tenants seen by money advice with rent arrears*', this was a new measure and the Money Advice team have engaged with 443 tenants during the year. A number of housing benefit and discretionary housing payment issues have been resolved prior to the visit or appointment and so there are no rent arrears to record and therefore are not included in the performance measure year end data. Approximately £63k rent has been collected following money advice intervention which illustrates the significant impact the team have had in the collection of rent arrears.

3.5.2 Voids & Relets

Performance in relation to priority measures for voids continues to be an area of strength for Derby Homes.

There has been a slight increase for the average length of time taken to re-let our properties: 23 days compared to 22 in 2014/15, but it remains with the target of 24 days – and upper quartile performance is 25 days. There was a slight improvement on the re-let figure for general needs properties (21.6 compared to 21.7 in 2014/15) but the average re-let days for housing for older people has increased from 23 in 2014/15 to 29 which underlines the relative lack of demand for this type of property.



Percentage of rent loss through dwellings becoming vacant has improved further and has now reached a new low of **under 0.8%** and is below the more challenging year-end target of 1.0%.

The reduction in void losses from over 1.8% to under 0.8% over the last six years represents a gain in HRA income of around £0.55m a year for the Council. Void turnover has fallen, and this has also led to a reduction in spending on voids this year, reducing Derby Homes' costs.

3.5.3 Maintenance

Performance in completing responsive repairs across tenants' homes remains consistent, with 100% of emergency repairs being completed within target timescales and only 13 of the 8,005 (under 0.2%) urgent and very urgent jobs completed out of time. In total, 30,535 repair jobs were completed in 2015/16 with only 32 out of timescale. For the new year, we have simplified targets in this area and are applying a 99% target for all measures.

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.

3.5.4 Investment

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

The average SAP rating has increased from 73.02 in 2014/15 to 73.28 in 2015/16. This can mostly be contributed to the continuous work in replacing inefficient gas boilers and the installation of external wall insulation to pre-war properties. We are, however, we believe, approaching the upper limit of what can be realistically expected in terms of SAP rating increases.

The performance measure *DH Local 39a 'Adaptations - average time from referral to large adaptations'* has increased from 80 to 111 days on average as a consequence of a number of referrals requiring significant major adaptations that have demanded substantial planning and consultation. To resolve these issues moving forward we will look to improve communications with outside agencies and to give the more complicated adaptations a greater priority than the more straightforward adaptations. This performance remains adequate given the scale of works involved.

3.5.6 Satisfaction

Three of the satisfaction measures have met their year-end targets, with two of the four measures exceeding target. Overall performance has improved when compared to the 2014/15 outturn.

During 2015/16 over 2,000 responses were received to satisfaction surveys with **90%** reporting that they are satisfied overall with the services provided by Derby Homes. Since the introduction of the 'doorstop campaign' the rate is now in the upper quartile of our comparator group (89.25%) and is a 4% increase on the previous year's outturn. What is even better is that dissatisfaction has fallen again this year from 3% in 2014/15 to only **2%**.

Satisfaction with views taken into account has seen an 11% improvement on the 2014/15 outturn with **79%** of tenants who responded to this question satisfied that they are being listened to. At 9% above target and with only 5% of respondents expressing dissatisfaction this is an excellent result and demonstrates the impact of the on-going focus on face to face interviews with customers.

At 96.9% satisfaction with the customer services team remains high. The customer service team now provides a first point of contact service for the Income Collection, Allocations and Anti-Social Behaviour team. They also manage the calls for operatives in the Day to Day Repairs team to get access to properties where appointments have been raised but the customer is not in. 24,021 calls were received during 2015/16 of which 21,404 were managed at the first point of contact. The satisfaction level is a tribute to the staff in that team, who have experienced considerable turnover and vacancies this year and waiting times have increased to around 2 minutes.

We have also achieved an annual satisfaction figure of 84% with the way ASB cases were handled, which is slightly below the target of 87%. However, satisfaction during quarter four was 92% and we are confident we can continue to deliver satisfaction levels at 90%+ from now on due to the recent review of the procedure for carrying out surveys.

3.5.7 Sickness Absence

Although there has been a slight increase in 2015/16 Derby Homes has continued to attain excellent attendance and remains within target at an average **6.6** days lost to sickness. We continue to manage attendance in a proactive and supportive way with a view to retaining our excellent attendance rates.

3.5.8 New Build

A total of **105** homes have been delivered against an annual target of 120 during 2015/16. This is slightly short of the target, poor weather has hampered some of the developments and there have been a number of difficulties with certain utility suppliers. During the delays we have kept in touch with prospective tenants as part of our commitment to excellent customer service. The number is, however, an increase from the 99 delivered last year. The supply of land remains difficult and further shortfalls in delivery might be an issue if not resolved. The overall progress now stands at 282 towards the 700 target.

3.5.9 Housing and Advice

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) has remained below target throughout the year with a year-end outturn of 903 against the target of 1,000. We do not expect this performance to recover as the budget is being reduced.

There has also been a decline in performance in the other three measures within this service area with two measures featuring in the Council Scorecard.

- *YA&H PM06 – Number of Homeless Acceptances* (Council Scorecard measure) - Homelessness acceptances reached a peak in 2013/14, following the reduction in housing related support in Derby, and have remained consistently high since then. 2015/16 shows the highest level of homelessness acceptances in the past 5 years. With a figure of 377 we are 7 above the target.

The main reasons for acceptances include:

- loss of rented or tied accommodation
- violence
- relatives or friends no longer willing or able to accommodate
- rent arrears

- *YA&H PM04 – Number of Households placed in Bed & Breakfast Accommodation* - A key component of successfully managing temporary accommodation is limiting the use of bed and breakfast accommodation to no more than 10 families / households which Derby has done successfully for the last two years. However, we are seeing increasing numbers of households who are actually homeless who need to be provided with interim housing under homelessness legislation. The backlog in alternative temporary accommodation has led to households being accommodated in B&B after the homelessness decision has been made. A total of 132 families / households were placed in bed and breakfast during 2015/16 with an average length of stay of 16 days. It is likely that the number of households in temporary accommodation will increase further because of a reduction in all available housing services and resources. The increased use of bed and breakfast is a worrying factor both socially for households and financially for Derby City Council.
- *YA&H PM03 – Number of households living in Temporary Accommodation* (Council Scorecard measure) – Over the last five years we have consistently limited the use of temporary accommodation to below 30 families / households. This has become increasingly challenging in 2015-16 and performance outturn at year end is 33 against an annual target of 30. A key reason for this is a reduction in the number of social housing properties becoming available to let. Any reduction in the supply of affordable housing will have a knock on effect to our ability to accommodate homeless households, creating pressures on continued use of temporary accommodation and bed and breakfast placements. 75 families / households were placed in temporary accommodation during 2015/16 with an average length of stay of 89 days.

The Board should note that a targeted update report for homelessness was presented to Corporate Scrutiny in December 2015.

4. COUNCIL

Three of the measures are included in the Council Scorecard and are reported to Council Cabinet on a quarterly basis. These are highlighted in Appendix 1.

5. EQUALITIES AND IMPACT ASSESSMENT

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
Legal and Confidentiality
Personnel
Financial and Business Plan Implications
Environmental
Health & Safety
Risk
Policy Review

If Board Members or others would like to discuss this report ahead of the meeting please contact:

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Background Information: None

Supporting Information: None