

**PERFORMANCE MANAGEMENT–QUARTER TWO REPORT  
2021/22**

Report of the Finance Director and Company Secretary

**1. SUMMARY**

- 1.1 This report presents a summary of performance for quarter two 2021/22, from key performance measures reported to Derby City Council. Overall performance remains positive with a few 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.
- 1.3 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 2021/22 quarter two performance trends.
- 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(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 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 2021/22. This incorporates 34 priority measures reported on a monthly/quarterly basis and 43 in total. At Quarter Two **80.7%** of measures were either meeting or exceeding target and **81.2%** were forecast to meet year-end target.

#### 4.3 **Mid-year Review**

4.3.1 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 (for example increasing demand, loss of capacity / resources etc.).

4.3.2 There is one measure where a **change to the target** is proposed:

- DH SAT PM 05 Percentage satisfaction with the way ASB case was handled, current target 94%, proposed target 92% to align with top quartile.

4.3.3 The suite of complaints performance measures has been reviewed with a view to improve consistency with other reports. Following the review, it is proposed that **we delete these measures;**

- DH CS PM01 Percentage of all complaints resolved at initial contact
- DH CS PM02 Percentage of complaints resolved at Stage 2 in the complaints process

We propose **two new measures** for Q2 2021/22;

- Percentage of closed stage 2 complaints responded to within timescale, with a fresh target of 95%.
- Percentage of closed stage 1 complaints escalated to stage 2 during the quarter, with a fresh target of 5%.

In addition, it is proposed that we **amend the description** to the measure 'Percentage of complaints responded to within timescale' to be able to differentiate between stage 1 and stage 2 complaints by timescale.

The new description to read Percentage of **closed stage 1** complaints responded to within timescale

4.3.4 These changes are set out in Appendix 2. All proposed changes to measures and targets were discussed at Senior Management Team (SMT) 28 October.

4.3.5 All proposed changes to targets will be presented to Derby City Council Strategic Planning Board meeting for approval.

#### 4.4 Performance Monitoring 2021/22 – Quarter Two

4.4.1 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

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

Status	Q2 2021/22 performance	Forecast Q4 2021/22 performance
Blue	11.5% (3)	6.2% (2)
Green	69.2% (18)	75.0% (24)
Amber	7.7% (2)	6.2% (2)
Red	11.5% (3)	12.5% (4)
No target / annual	17	11
Missing data	0	0

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

#### The performance measures highlighted as red are:

- DH R&RA PM01 Rent arrears of current tenants as percentage of rent roll - target 3.5%, Actual 3.9%(red), Year-End Forecast 3.2% (green)
- DH R&RA PM02 Rent arrears of current tenants- target £1,980,264 Actual £2,224,885 (red) Year-End Forecast £1,800,000 (green)
- DH EH PM02 Percentage of rent lost through dwellings becoming vacant - target 1%, Actual 1.03%(amber), Year-End Forecast 1.2% (red)
- DH HR PM01 Average working days lost due to sickness absence - target 7, Actual 9.3 (red), Year-End Forecast 8 (red)
- DH NH PM01 Number of new homes started in year (HRA & DH) Year-End target 75, Forecast 61 (red)
- DH NH PM02 Number of new homes delivered in year (HRA & DH) Year-End target 75, Forecast 60 (red)

#### The performance measures highlighted as amber are:

- DH SAT PM05 Percentage satisfied with the way ASB case was handled - target 94%, Actual 92.3% (amber), Year-End Forecast 92% (amber)
- R&RA PM01a Total arrears as a % of rent due - target 6.2%, Actual 6.6% (amber), Year-End Forecast 6.0% (green)
- DH NH PM03 Number of new affordable homes delivered since 2008. Year-End target 665, Forecast 650 (amber)

## 4.4 Key areas to note

### 4.4.1 Satisfaction

At quarter two; all eight satisfaction measures; including *overall satisfaction with the landlord*, *'views taken into account'*, *repairs*, *new homes*, *neighbourhood* and *major improvements* are meeting or exceeding quarter two targets and all but one are forecast to meet year-end targets.

Satisfaction with;

- Derby Advice is at 99% and continues to exceed Q2 and Q4 targets.
- landlord overall is at 96.2% and is well above Q2 and Q4 targets.
- *'Views taken-into-account'* is at 84.8% and well above Q2 and Q4 targets.
- the neighbourhood is also well above targets for Q2 and Q4.
- major improvements (kitchens and bathrooms) is at 100% and forecast to meet the year-end target of 95%.

Of course, these figures are just for the first half of the year but are nonetheless excellent. At 92.3% satisfaction with the way ASB case was handled has improved by 1.2% and now is in range of the quarter two target but forecast to be short of its ambitious year-end target of 94%. Performance has remained high throughout the pandemic with altered working arrangements and higher than averages cases.

### 4.4.2 Customer Services

Overall, for 2020-21, 95.3% of all complaints received were resolved at initial contact, Some slight slippage on Q1 (96.6%) but at 95.4 the measure is on target for both quarter two and year-end.

- Of the 87 complaints closed this quarter, 82 were resolved at stage 1.
- 100% of complaints were resolved at stage 2 and 99.4% of complaints were responded to within timescales for quarter two with performance forecast to improve to 98% better than year-end target of 94%.
- There continue to be no escalations to the Ombudsman, let alone any findings by the Ombudsman against us.

### 4.4.3 New Homes

#### Starts on Site

- At Q2 there are 35 new starts to date with 19 starts this quarter, featuring mainly acquisitions; 14 purchased from the market, one start for newbuild at Cummings St as part of 4 units and 1 unit at Berwick Close.
- Q3 should have starts for new build of 8 units at Chesapeake Rd and 2 units at Whittaker St starting in Q3 or Q4, adding to the number of new build starts this year. Post-Covid lockdown remains a challenge, the revised year end forecast of 61 is now short of target (75)

#### Homes delivered

- At Q2 16 completions were made with 41 in total to date, Acquisitions (14) dominate completions with 11 newbuild units at Perth St in September and the last 1 of 10 brand new units at Daisy Grove purchased by DCC from a private developer, completed in August.

- As above due to post-lockdown we were not able to bring in the 4 newbuild units at Gerard Street in this quarter. The forecast therefore has been revised to 60 for year end and short of target.

#### **Affordable homes delivered**

- There were 25 affordable homes delivered in Q2 with the overall total at 631. The revised forecast of 650 is short of the year-end of target of 665.

#### **The challenges for New Homes**

Although we have a very healthy pipeline of projects going forward - the issue has been to firstly complete existing sites that were moth-balled during Covid. The schemes in the pipeline made up of about 115 new units give us reason for optimism, being helped also by the Gerard Street completion.

However, supply chains and workforce capacity issues still remain, we've only just started some new units on site, acquisitions are slowing down due to the market, prices have increased and new build is now emerged as a better medium term option following rule changes.

#### **4.4.4 Rent and Rent Arrears**

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

- At the end of quarter two rent arrears as a percentage of rent roll is 3.9%, above the target of 3.5% but forecast to meet the year-end target of 3.2%.
- Current arrears are £10,848 lower than last year's Q2 figure of £2,235,733.

There tends to be a gradual expected rise until quarter 3, mainly due to higher cases continuing to rise as we wait for courts to return to some sort of normality in listing proceedings.

There will be a back-log but things should start to improve in the second half of the year. Court action is slowly recommencing as these cases progress. It is expected that some of the non-engaging tenants will respond when they are faced with attending court hearings, of which there have been very few over the last 18 months due to the pandemic.

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

- Q2 actual of £2,224,885 is above the target of £1,980,264 but forecasted to meet Year-End target of £1,800,000.
- Although this has increased over the last month and quarter, this an expected trend. Current arrears are lower than Q2 last year (see above).
- When comparing arrears with last year, the date of the ending period and start of direct debits need to be considered as they can make a difference.

##### **DH R&RA PM01a Total arrears as a percentage of rent due**

- Total arrears are currently at 6.6% compared to the quarter two target of 6.2% but forecast to meet year-end target of 6.0%

The quarter two figure is where we would expect it to be, allowing for our former tenant arrears write-off strategy. As we work through the older debts to be written-off we expect to see this figure improving, as long as the current arrears also remain stable.

#### **DH R&RA PM04 Rent collected as a percentage of rent due**

- The quarter two figure of 97.7% compares to 97.4% at Q2 last year. It is expected to be on target at 99.9% for year end with boost of income collected in the last 3 rent free weeks.

Collection rates continue to be good under the current economic circumstances but monthly levels fluctuate depending on end of month payments and direct debits being paid on to the accounts in time to be included. The impact of the ending of furlough and the £20 a week uplift to universal credit may have an impact later in the year although the scale of this remains uncertain at present.

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

- There was one eviction carried out in September and a total of 2 for the year.

Now the courts are opening-up we do expect the numbers will start to increase in cases where progress cannot be made. Forecast for year- end is 15.

#### **4.4.5 Property Compliance measures**

All of our compliance measures are on target for quarter two and forecast to meet year end targets. These include passenger lifts (LOLER), Electrical safety testing and Water Risk Assessments all at 100% for quarter two and year end forecasts and therefore fully compliant.

##### **Gas Safety**

Gas Safety Inspections carried out on 3235 properties in quarter two, 12,622 properties have live certificates (99.81 %).

- We currently have 23 properties without a valid certificate, however, all of the no access procedures were followed in relation to shielding or vaccination status. All have new appointments booked back into the system.
- We are 100 % compliant under section 36 of the Gas Safety (Installation and Use) Regulations for the last quarter.

##### **Electrical Safety**

Overall performance is at 99.9% at quarter two and forecast to hold that level at year end to meet required targets.

- At the end of Q2 there are 17 properties without an Electrical Safety Certificate dated within the last 5 years. All 17 have been escalated to the housing office for access issues and evidence has been gathered.
- Every effort that is reasonably practical has been made to access these proper ties which evidences that Derby Homes is compliant with the regulations and have met our legal obligations.

##### **Asbestos and Fire Safety**

- Both these inspections measures are at 100% full compliance level for Q2 and Q4.

#### 4.4.6 Empty Homes

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

- The re-let figure for quarter two at 23.01 days has met the target of 24.0 days, a vast improvement from the 2020/21 year-end figure of 42.64.
- Due to this improvement the forecast is that the year- end target of 24 days will be met.
- Current monthly monitoring indicated that we are on target, with the September snapshot putting us on 23 days.

The improvement is due, amongst other actions, to.

- active working with local office staff to prioritise viewings on ready to let properties and process sign ups following appropriate safety guidelines.
- weekly meetings with our voids and capital works team to understand their pressures and how we can support to ensure that our voids progress is in line with our processes.

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

Quarter two performance was near enough on target, 1.03% compared to the 1.0 target and at 1.2% the forecast is that we will be in range of the year-end target.

- The revised year-end forecast of 1.2% takes into account the reduction in rent charged because of the ongoing impact, and response to the emergency phase of the Coronavirus pandemic but also the improvement to relet performance this quarter outlined above.
- In addition, all previous agreed accommodation offers and approved allocations were also withdrawn under the 'not to move' guidance issued by Government.
- Further to this, a DCC programme to obtain much needed extra social housing will be impact on the current rent loss measures.
- 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 several empty properties requiring more major works which are being progressed which will again impact on the rent loss figures.

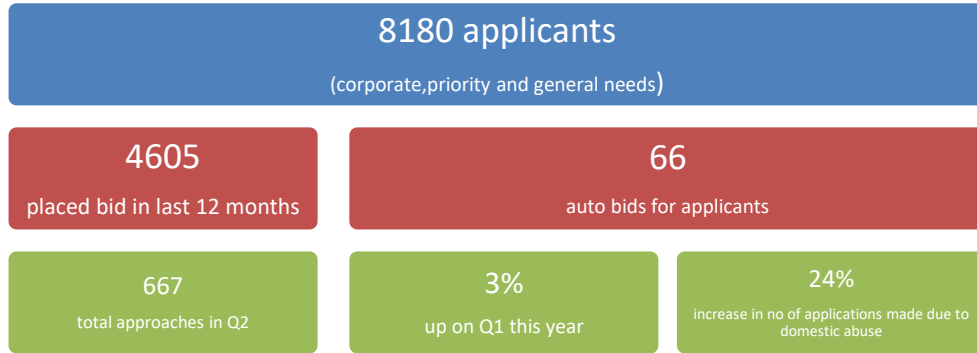
#### 4.4.7 Housing and Advice

Housing Options service adopted new ways of working in response to the pandemic in March 2020; being operated remotely with a telephone service replacing face to face interviews. 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.

##### **Applications and approaches**

- As of 30 September, 2021 there were 8180 applicants on the housing register in the Corporate Needs, Priority Needs and General Needs band.
- 4605 of these have placed a bid in the last 12 months, this includes 66 auto-bids for applicants.
- There are also 3670 'open to all' applications registered with 801 of these bidding in the last 12 months.
- The total number of approaches for quarter two is 667, which is an increase of 3% compared to quarter 1 of this year.

- Within this figure there has been a 24% increase in the number of households approaching due to domestic abuse perhaps because of the relaxation of Covid restrictions and easier access to services.

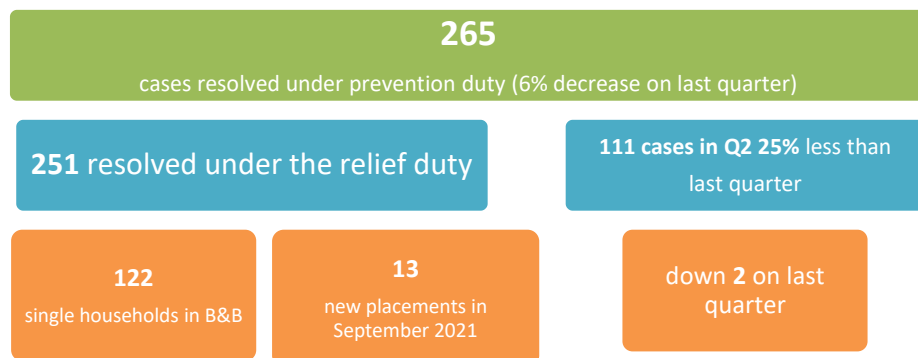


There was also an increase in the number of households being given notice on their privately rented accommodation and also non-violent relationship breakdown. However, there was decrease in those households leaving Home Office accommodation and those leaving supported accommodation.

### Preventions and acceptances

- There have been 265 cases resolved under prevention duty in Q2 bringing the total to 546. This is a 6% decrease on Q1 and is likely to reflect the lack of rehousing opportunities in both the private rented and social housing sector.
- There were 251 cases resolved under the relief duty with 111 in Q2, 25% down on last quarter.
- There were 72 full duty acceptances with 42 acceptances during this quarter. This is 12 more than the last quarter but remains lower than the average for 2020/21 and remains far lower than the pre-pandemic average of 115 per quarter.
- In quarter two there were 122 new households in temporary accommodation, with 13 of these being placed in September 2021 down 2 from the previous month.

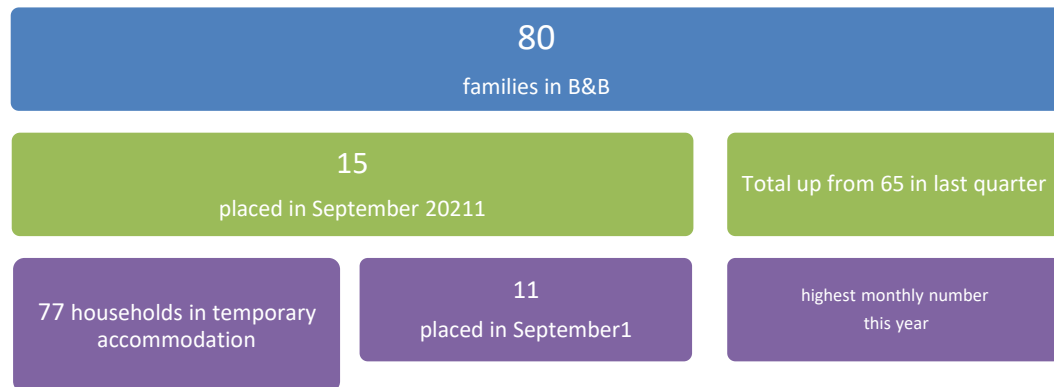
Which has been achieved by utilising prevention measures and the ability to use alternative emergency and supported accommodation for single households. – The Move On Coordinator role has been instrumental in ensuring flow through and appropriate placements particularly into supported housing.





## Bed and Breakfast and Temporary Accommodation

- There have been 80 new family households placed in bed and breakfast since April, with 15 being placed during September, up from 65 last quarter.
- There were 77 households in temporary accommodation other than B&B since April with 11 placements in September.



- This is a reduction of 3 households compared to August and less than half of the highest monthly number of placements which was recorded in July this year.
- There has been reduced move-on with fewer households obtaining private rented sector and social housing tenancies and therefore fewer vacancies.

This is due to the increased number of approaches, fewer vacancies in alternative temporary accommodation and the limited number of options available in the private rented sector for families.

Nationally, landlords are leaving this market, the available properties are being offered at high rent levels and there is a lot of competition for these vacancies.

- Covid still influences move-on options, LHA rates are far lower than current market rents in Derby, it's a landlord's market.
- Our customers are competing to secure PRS tenancies against other working families and people with a better offer for landlord or agent.
- With the £20 Universal Credit Covid uplift removed, tenants will continue to struggle but PRS caseworkers still actively engage with landlords to secure and sustain tenancies.
- A Caseworker left in Q2 and the other 5 have been offering support and help to target prevention work due to staffing pressures across wider Housing Options.

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

- All properties are currently meeting decent homes standards

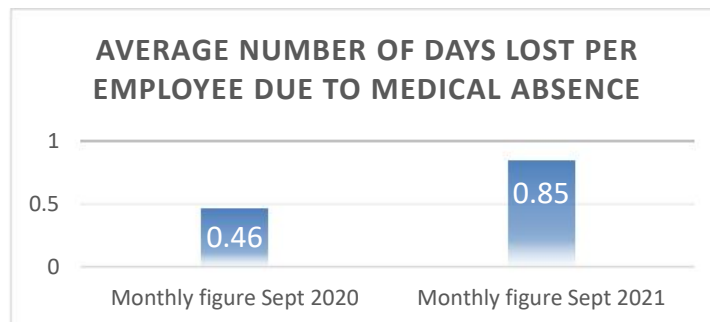
### DH AM PM02 Energy Efficiency-average SAP rating of dwellings

- The Average SAP for the stock is currently at 75.55 and forecast to meet year-end target.

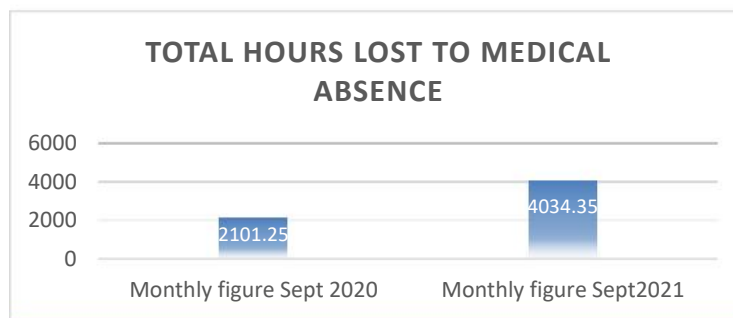
#### 4.4.9 HR

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

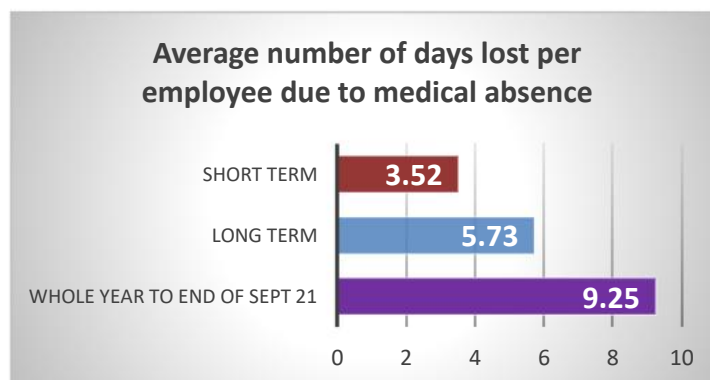
0.85 days per employee were lost in September 2021 for medical absences significantly higher than the rate of 0.46 for the same month last year.



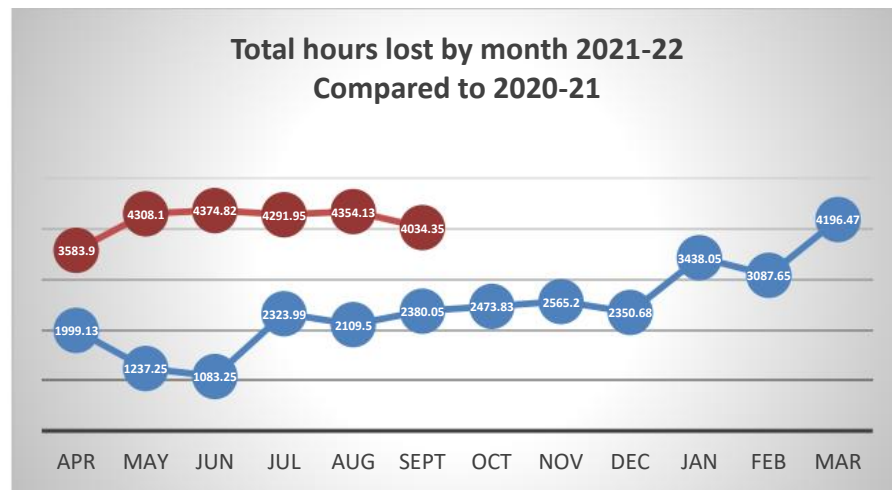
A total of 4034.35 hours were lost this September again significantly higher than the 2101.25 amount for the same month last year.



Over the last 12 month period the days lost figure for medical absences is 9.25 days, up to 11.11 days when non-medical Covid related absences are included.



Although total hours lost per month is higher than last year, the trend is moderating and is on par with last March



- Over the last 12 months a total of 45684.85 hours were lost due to sickness.
- Over the same period 9131.58 hours were lost due to non-medical absences relating to the Covid 19 pandemic (self-isolation / care of a dependant...)

One of the key factors behind the high levels of medical absences remains the increase in stress and anxiety in mental health category. We will monitor these trends closely but forecast that the year-end figure for days lost for medical absences at 8.0 days.

## 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 2 Performance report level 1 and 2 measures (appendix 1)  
Half- Year Review of targets (appendix 2)

Supporting Information: none
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**This report has been approved by the following officers:**

<b>Managing Director</b>	Maria Murphy	16/11/21
<b>Finance Director/Derby Homes Accountant</b>	David Enticott,	26/10/21
<b>Company Solicitor</b>	Taranjit Lalria	28/11/21
<b>Head of Finance and Income</b>	Michael Kirk	11/11/21
<b>Head of Housing Management</b>	Lorraine Testro	28/10/21