

# **EAST KENT HOUSING PERFORMANCE Q3**

## **Corporate Performance Review Working Party**

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Status: **For Information**

Classification: **Unrestricted.**

Key Decision: **No**

Ward: **All Wards**

### **Executive Summary:**

The following report sets out EKH performance for the third quarter of the year 2016-17. The following report contains an executive summary to accompany a detailed report by performance indicator.

The report shows that performance this quarter has:

- improved in 4 indicators
- dropped in 8 indicators
- stayed the same in 2 indicators

Out of a total of 16 targeted KPIs, 10 were in target at the end of quarter.

### **Key points:**

- Arrears performance has dipped, but is still above average when benchmarked
- Average void times, excluding major works, continue to show in target
- Responsive repairs (Mears) continues to perform consistently well
- Heating and hot water repairs (Swale) has dropped slightly, but shows continuous improvement from the beginning of the year
- Complaints performance has missed targets and requires improvement

*This report is for information and discussion*

### **Recommendation(s):**

To note the contents of the report.

<b>CORPORATE PRIORITIES (tick those relevant)✓</b>	
A clean and welcoming Environment	x
Promoting inward investment and job creation	
Supporting neighbourhoods	x

<b>CORPORATE VALUES (tick those relevant)✓</b>	
Delivering value for money	x
Supporting the Workforce	
Promoting open communications	

## **1. Introduction and Background**

- 1.1 This report sets out performance for the Q3 period in respect of East Kent Housing and the provision of services for Thanet District Council.
- 1.2 Challenging targets were set at the start of the 2016-17 year and particular areas of importance in relation to our performance are set out below for information.

## **2. Income collection**

- 2.1 Performance on income collection has dropped this quarter with current tenant arrears at 1.74% of the annual projected rental income (target 1.5%). However, the total rent arrears owed to Thanet District Council has shown a marked improvement (i.e. rent arrears have reduced) year on year over the period 2011-2016. This improvement comes despite the introduction of benefit capping and Universal Credit which has had both a financial and resourcing impact (as the management of these cases is more time consuming than a traditional Housing Benefit case). The team at the end of this quarter were managing 10 Benefit capping cases with arrears of £3,306, and 24 Universal Credit cases with arrears of £7,503.
- 2.2 The performance target on current tenant arrears is a year-end target, which is worked towards throughout the year. In order to have a measurable position to compare in year performance to, we look to the comparable week the previous year (which also had a year-end target of 1.5%). Current performance is £10k behind the comparable week the previous year.
- 2.3 The collection of rents has also been affected by delays in making the applications for Court on arrears cases. The delays affected 27 cases where the turnaround time increased from an average of 2 weeks to 6 weeks. The financial impact is difficult to quantify but is estimated to be approximately £11,000. This service is provided by TDC legal team.

The team continue to work towards the year-end target.

## **3. Void Performance**

- 3.1 Performance on voids excluding those that require major works is exceeding target at 11.5 days for the quarter and 11.57 days year-to-date, against a target of 15 days. For those voids which require major works, performance has improved this quarter to an average of 22.69 days. We are slightly outside target year-to-date for major works voids (25.62 days against a target of 23.5), but we have put in place the following actions to ensure performance meets target by year end:

- A single manager is now responsible for void performance in Thanet, to ensure there is accountability for voids that exceed the turnaround time
- We are reviewing the process for left items in properties, to ensure storage is identified and dealt with faster
- We are looking at how we deal with pre-void inspections to identify sub-standard DIY work carried out by the tenant, in order that it can be removed prior to the property becoming vacant
- Revising the process for identifying works that will need to be completed as soon as possible after we are advised of the forthcoming void, Improving the information available when the property is advertised for letting, this is allowing those interested to make more informed decisions about bidding for properties

- Actively pursuing households to ensure keys are returned promptly, so allow us access to properties when expected and planned. Reducing the amount of time taken to undertake major works and where possible allowing households to move into the property before the works are undertaken

Therefore in respect of the overall performance which is measured as part of the Council's Corporate Priorities target for the average re-let time for all voids and is a combination of both elements, the performance for quarter 3 was 25.62 against a target of 23.50 days. Although outside of the target this shows an improving position against previous quarters, and is a reflection of the work that has been undertaken in this area.

#### **4. Repairs and Maintenance**

- 4.1 Performance on responsive repairs remains strong with 99.74% of emergency responsive repairs completed on time and 100% of routine responsive repairs completed on time.
- 4.2 Performance on heating & hot water repairs has dropped slightly this quarter with 96.75% emergency heating & hot water repairs and 96.26% routine heating & hot water repairs completed on time.
- 4.3 Heating & hot water performance is close to target (98%) and we have seen considerable improvement since the beginning of the year (2015-16 outturn position for emergency heating & hot water repairs was 84.49%). We have worked with our contractor to improve performance and implemented an improvement plan covering the period through to the natural termination on 31 March 2017.
- 4.4 We also monitor gas servicing on a daily basis (Number of properties without a valid LGSR) and as at the end of Quarter 3 there were no outstanding gas servicing cases i.e. performance was at 100%.

#### **5. Customer Satisfaction & Complaints**

- 5.1 Customer satisfaction for both day to day and heating & hot water repairs remains very high (100% and 98.08% respectively). Although this is a positive indicator, this year we are looking at alternative ways of collecting customer satisfaction to ensure that it is meaningful and that we are getting an accurate understanding of the services provided by third parties, as well as EKH. Our Board is being asked to consider alternatives, and our contractors are now using text messaging which represents a more independent way of verifying contractor performance. We are also involving our residents in helping us to design new processes for customer satisfaction.
- 5.2 The average time to answer complaints has seen a dip in performance (bringing the year-to-date figure down to 10.59 days against a target of 10). Percentage of complaints closed on time has also dropped this quarter to 71.43%. This equates to 5 out of 7 complaints being closed on time.
- 5.3 In quarter 2 we considered the issues which have arisen with complaints both currently and historically, and put measures in place to monitor complaints more effectively. As a result, performance has worsened across all indicators as older complaints are dealt with and closed. It is anticipated we will see the benefits of the new measures with improved performance by the first quarter of 2017/18.
- 5.4 In addition a review of the complaints process is being undertaken, which will include a review of resources and responsibilities as well as having input from a resident scrutiny

panel. The review will focus not only on ways residents can make a complaint, but the way complaints are handled and how we can make better use of this feedback.

## **6. Capital Programme**

- 6.1 Members will be aware from the report they received in September 2016 that this continues to be the most challenging area of performance for EKH. We have had an external review completed of this part of our service, and the findings have been shared with the Councils and our Board. We have set up a Task & Finish Group of board members (including one Councillor and one Council Client Officer) and they are challenging and monitoring progress against the improvement plan.
- 6.2 Following discussion with the Thanet District Council, Client Officer and Housing Finance Team we have agreed a revised projected outturn position of £2.9m. This takes account of works that are no longer required and large scale projects that require additional pre-works planning. The revised budget requirement also includes provision of £530k that is to be carried over to the 2017/18 financial year. This adjustment will take place as part of the financial year end process and will result in an anticipated out-turn position of £2.4m for the 2016/17 financial year.
- 6.3 The latest approved budget allocated to EKH for capital investment in 2016/17 is £3.6m and spend is £1.4m (37.69% of budget) this is slightly behind target. The percentage of spend and commitment (£1.8m) to the latest approved budget (£3.6m) is 50% and 75% of the proposed adjusted 2016/17 budget (£2.4m).

### **Client Officer Comments**

East Kent Housing is thanked for its work on preparing this report and for presenting the information in an accessible format.

Financial pressures on the HRA mean that void and rent collection performance remains a key priority. The additional time requirements of managing complex universal credit and benefit cap cases is going to be an increasing factor in the future. This focus has helped to ensure that performance for rent arrears has remained close to target and voids performance is improving.

The delivery of the Capital programme and related procurement activity still need improvement, and East Kent Housing are working with the partner councils to address these concerns, as set out in the report. The completion of a stock condition survey in 2017 will enable a new asset management strategy and capital programme priorities to be set for the future and the delivery of these agreed programmes will be a critical part of service delivery for East Kent Housing.