

## EAST KENT HOUSING PERFORMANCE Q1

Corporate Performance

Review Working Party **04 September 2017**

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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 first quarter of the year 2017-18. The following report contains an executive summary to accompany a detailed report by performance indicator.

Compared to our 2016-17 year-end position, performance this quarter has:

- improved in 11 indicators
- dropped in 5 indicators

Out of a total of 16 targeted KPIs, 12 were in target at the end of quarter.

### Key points:

- Arrears performance has dipped and is outside target at 1.62% of the projected annual rental income (target 1.50%); however, this is consistent with annual trends and is still high-performing (upper quartile)
- Void performance is exceeding target at 7.74 days excluding major works (target 15) and 12.74 days including major works (target 23.5); this is high-performing (upper quartile)
- Responsive repairs (Mears) is in target for all indicators
- Heating and hot water repairs (P&R) has met or is close to target in May and June, but April data is missing
- There were 9 properties without a valid LGSR at end of June (although all were in the process of forced entry)
- Complaints performance has improved on 2016-17 with 88.89% on time (average of 8.78 days) but remains outside of target

*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	

## **1.0 Introduction and Background**

- 1.1 This reports sets out performance for the Q1 period in respect of EKH and the provision of services to Thanet District Council.
- 1.2 Challenging targets were set at the start of the 2017-18 year to maintain or improve performance and particular areas of importance in relation to this are set out below for information.

## **2.0 Income collection**

- 2.1 Performance on income collection has dropped this quarter with current tenant arrears, former tenant arrears and garage arrears all higher than at year-end. At 1.62% of the annual rental income, performance on current tenant arrears falls outside the annual target of 1.50%. However, targets are set as a year-end position which the Income team work towards throughout the year. For this reason, the target will not normally be achieved until year-end.
- 2.2 Due to the way targets are set, year-on-year comparisons often serve as the best indicator of how well we are performing. Over the past three years arrears have increased in the quarter immediately following year-end, are usually highest during quarters two and three, and drop considerably in the last quarter of the year. Despite this trend, current Q1 performance still places EKH Thanet in the upper quartile of its benchmarking peer group on HouseMark (upper threshold 1.93%).
- 2.3 As highlighted in the year-end report, the challenge for 2017-18 will be to maintain this level of performance in light of increasing external pressures such as the further roll out of Universal Credit.

## **3.0 Void Performance**

- 3.1 Performance on voids excluding major works has exceeded target at 7.74 days for the quarter. For major works voids, performance has improved this quarter from 23.85 days (at year-end) to 12.74 days (at Q1). Both indicators (including and excluding major works) are within target.
- 3.2 The average re-let time for all voids forms part of the Council's corporate priorities and, although ending the year outside target, we have seen significant improvement this quarter. In real terms we are returning properties in a lettable state quicker whilst undertaking important major works. Overall void performance places EKH Thanet in the top quartile of its benchmarking peer group and is a reflection of the work that has been undertaken in this area.

## **4.0 Repairs and Maintenance**

- 4.1 Performance on responsive repairs continues to be extremely good, with 99.26% of emergency repairs completed on time and 99.33% of routine repairs completed on time. 96.95% of repair appointments were kept during the year and all responsive repair indicators are in target.
- 4.2 Targets have been met for emergency heating and hot water repairs with 99.54% being completed on time (target 98%) and 97.3% of routine heating repairs completed on time (target 98%). However, this is based on 2 months data only (May and June) as performance data for April is not available. We moved to a new contractor, P&R, on 1 April, and they advised us that the data provided by the previous contractor was corrupted

and as a result they were unable to use and provide accurate data for April. This problem has now been remedied.

- 4.3 We also monitor gas servicing in relation to the number of properties without a valid Landlord Gas Safety Record (LGSR). At the end of the reporting period (30 June 2017) 9 properties were showing as not having a valid LGSR. We have met with P&R's Managing Director to discuss this, and again he has advised that the corrupt data had caused issues, and that they were also catching up from outstanding services from the previous contractor. However all overdue gas services were as a result of non-access and forced entry appointments were booked. At the date of writing we are advised that only 1 is now outstanding.

## **5.0 Customer Satisfaction & Complaints**

- 5.1 Customer satisfaction for day-to-day responsive repairs remains very high, at 99.8% for Q1 (target 98%). Satisfaction with heating and hot water repairs dipped in Q4 (as the contract was coming to an end), causing the year-end figure to miss the target at 96.66%, but is now showing at 100% at Q1 (target 98%). Customer satisfaction with repairs also places EKH within the upper benchmarking quartile on HouseMark (threshold 96.84).
- 5.2 Complaints performance has improved since Q4 taking an average of 8.78 days to respond to a complaint (target 10). 88.89% of complaints were closed on time (target 90%). Therefore further improvement is still required in this area. We are currently recruiting to a complaints officer post, which will ensure that we capture and respond to all complaints and learn from them, and this indicator should therefore improve.

## **6.0 Capital Programme**

- 6.1 Spending on our capital programme was a challenging area of performance in 2016-17. At 97.35%, our spending at year-end was close to target and, with the support of the Thanet District Council Client Officer and Finance Team, we improved upon the predicted level of underspend (reported at Q3).
- 6.2 At Q1, the current capital spend is 2.37%. This is lower than the position at Q1 last year (9.51%). However, at this early stage of the year low levels of spend are not to be unexpected; many transactions in the first quarter are offset by accruals at the end of the financial year reversing.

## **7.0 Tenant Health & Safety**

- 7.1 Whilst the Working Party do not directly monitor any health and safety performance indicators, members were briefed on fire safety issues at the last meeting and we thought an update in this area might be helpful.
- 7.2 Kent Fire & Rescue (KFRS) have completed inspecting all tower blocks within Thanet, and have issued fire deficiency notices for four of the blocks, and we anticipate that we will receive the same notices for the remaining two blocks, raising similar issues. Individually the deficiencies identified relate to minor issues, however a number of these interlink and can only be addressed by replacing entire systems where the technology interfaces do not have sufficient capacity, for example between door entry systems, lifts and automatic opening vents. Where these have been identified, we are getting proposals from specialists consultants in order to provide cost estimates for works.
- 7.3 We completed new Fire Risk Assessments (FRAs) of all tower blocks, and these did not show anything new or unexpected. Our joint visits with KFRS helped shape our FRAs, and thinking around fire safety has moved on since the Grenfell Tower tragedy and much more caution is being exercised in relation to existing fire safety ventilation systems.

- 7.4 We continue to undertake weekly tests of the fire alarms in “live” mode, and we also carry out ad hoc testing. Housing response officers also carry out daily weekday visual inspections of the control panels to provide additional assurance.
- 7.5 Thanet District Council has made additional funds available to EKH to enable us to carry out new fire risk assessments for the remainder of stock which is subject to this regime. These are due to be completed by November 2017.
- 7.6 Both the Council and East Kent Housing take tenant health and safety extremely seriously. We report performance on a quarterly basis direct to the Client Representative in respect of a number of tenant health & safety areas, such as legionella, asbestos and PAT testing in communal areas, lifts, electric heating servicing, checks on dry risers and fire extinguishers as examples, and this is subsequently discussed at our regular meetings.

### Background Papers

Title	Details of where to access copy
None	N/A

### 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 pressures of household budgets from welfare reform and particularly the continued role out of universal credit, presents and on-going risk in terms of increased arrears of rent. That said, EKH are thanked for continued performance in the upper quartile of peer providers on rent arrears albeit above the target of 1.5% of the total rent debit.

The improved performance on void relets times is good news, and the additional income generated is helpful in the context of the HRA business plan. EKH will continue to prioritise this area of performance.

Although it is early in the year, the slow start to delivering the capital programme is disappointing and remains an area that needs improvement. The completion of a stock condition survey earlier this year 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.

Last year’s review of complaints procedures was welcomed when introduced and has led to improvements in response times. This is still however below target and further improvement is needed.

EKH are thanked for the work that they have done on tenant health and safety, and particularly in reviewing fire safety arrangements in the council’s tower blocks.

### Corporate Consultation

Finance	N/A
Legal	N/A