

# EAST KENT HOUSING PERFORMANCE REPORT Q3 2017/18

Corporate Performance Review Working Party      **15 February 2018**

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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 2017-18. The report contains an executive summary to accompany a detailed report by performance indicator.

The report finds that, compared to our Q2 position, EKH Thanet performance this quarter has:

- improved in 4 indicators;
- dropped in 7 indicators;
- stayed the same in 5 indicators.

Out of a total of 16 targeted KPIs, 14 were in target at the end of quarter. Particular areas of good or improved performance can be seen in responsive repairs, gas servicing repairs and in complaints. At the end of the quarter, one property was without a valid LGSR (which has now been completed).

We have seen a significant improvement in complaints, where measures have been put into place to address under-performance earlier in the year. Rent arrears have increased, missing targets, where the introduction of Universal Credit is continuing to have a negative impact.

*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	✓
Promoting inward investment and job creation	
Supporting neighbourhoods	✓

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

## **1. Introduction and Background**

- 1.1 This reports sets out performance for the Q3 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. Income collection**

- 2.1 Rent arrears have increased in Thanet, mainly due to the continued roll out of Universal Credit (UC) which is having a significant effect, with £144,161 of the £364,310 overall arrears associated with Universal Credit cases, in addition to which £22,863 are Court costs associated with these arrears.

Universal Credit is paid monthly and generally paid at least six weeks in arrears following the initial claim. This means that for all cases where a claim is made, arrears will build up during this time. As this is a new benefit these issues will continue to have an increasing effect and will continue to be an issue. We will therefore continue to monitor both the impact on arrears and the increasing levels of resource needed to deal with these cases.

The targets for arrears were set before the impact of UC was known and do not take account of the delays and negative effect on the figures. Although above target the level of arrears associated with Universal Credit are in line with those being experienced in other area and reflect the change to the system.

## **3. Void Performance**

- 3.1 Our performance continues to be strong in this area of work, and has resulted from effective joint working between all service areas along with our contractors in order to ensure voids are quickly made available for occupation in order to help minimise voids and rent loss. We are expected to end the year in target.

## **4. Repairs and Maintenance**

- 4.1 Performance on responsive repairs continues to be extremely good, with targets for emergency and routine repairs and repair appointments all in target for both the quarter and the year.
- 4.2 Targets have been met for all heating and hot water repairs with 100% being completed on time (target 98%).
- 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 period, one property was without a valid LGSR (which has now been completed).

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

- 5.1 Satisfaction with repairs remains very high, with indicators for day-to-day repairs and heating repairs both in target for the quarter and the year to date.

5.2 Performance on complaints was below standard for the first two quarters of the year and measures were put in place to address this. From 1<sup>st</sup> October all complaints fell under the responsibility of a single officer, who monitors all complaints correspondence and responses. Performance has met targets for Q3 and is expected to meet or be close to the annual target by the end of Q4.

## 6. Capital Programme

6.1 Spending on our capital programme was a challenging area of performance in 2016-17 and continues to be in 2017-18. At Q3, the current capital spend is 23.69%. This is lower than the position at Q3 last year (37.96%).

A revised budget projection at 31 March 2018 is expected to be £2.2m.

The following projects account for the underspend:

- Royal Crescent - £1m to allow for options appraisal in 2018 and decision about investment requirement;
- Lift refurbishment (Kennedy & Trove) - 200k deferred to 2018/19 to allow for consideration of lift installation redesign serving all floors;
- Structural works (various) - 450k balcony and handrail projects deferred to 2018/19 due to need to procure consultant following changes within East Kent Engineering Partnership;
- Re-roofing (various) - 600k deferred to 2018/19 to allow us to take account of stock condition survey data and to undertake the resultant contract procurement.

### 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 roll out of universal credit presents an on-going risk in terms of increased arrears of rent. This quarter has seen a marked increase in rent arrears as a result of the impact of the roll out of universal credit. Additional bad debt provision has been set aside within the Housing Revenue Account to help mitigate this risk, however continued focus on rent collection is required.

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

The slow progress in 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. The projects deferred in 2018/19 are noted and the 2018/19 draft budget has been prepared to reflect these changes.

The improvement in the handling of customer complaints is welcomed.

### Background Papers

Title	Details of where to access copy
None	N/A

**Corporate Consultation**

<b>Finance</b>	N/A
<b>Legal</b>	N/A