Doncaster Council

· BE STEADFAST ·

To the Chair and Members of the

OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE

SLHD Performance & Delivery Update: 2017/18 Quarter Two

EXECUTIVE SUMMARY

1.   As part of the Management Agreement and governance arrangements for St. Leger Homes of Doncaster (SLHD) an Annual Development Plan is produced in agreement with DMBC officers, the Housing Portfolio holder and the Mayor. This Annual Development Plan identified the key deliverables, outcomes, milestones and the measures by which performance is assessed. There is an agreed governance framework part of which is a quarterly report of key performance indicators to Overview and Scrutiny Management Committee.

2.   This report provides an opportunity to feedback on performance successes and issues against the suite of 2017/18 key performance indicators.

EXEMPT REPORT

3.   This report is not exempt

RECOMMENDATIONS

4.   That Overview and Scrutiny Management Committee note the progress of SLHD performance outcomes and the contribution SLHD makes to supporting DMBC strategic priorities*.*

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

5.   As this report includes the current progress on the St. Leger Homes Performance indicators the implications of the contents may ultimately affect the delivery of services to the people of Doncaster*.*

BACKGROUND

6.   Appendix A summarises the SLHD 2017/18 Quarter Two (Q2) performance management report**.**

7. Key elements to note are:
    - six of the eleven key performance indicators are on target (green),
    - two are within acceptable tolerance levels (amber), and
    - three are below target (red).

Overall, this shows a slightly improved performance compared to Q1, when there were six green indicators, one amber and four red. Targets have been adjusted for 2017/18 and are considered more challenging than those set in 2016/17. Commentary covering the performance against all eleven indicators is provided below and summarised in the table at Appendix A.

8.   Performance

8.1 **Performance measure**: Percentage of Current Rent Arrears against Annual Debit (performing well – green)

Performance at the end of Q2 was 2.52% (£1.86m) against the end of year target of 2.50%. This is a slight decline compared to Q1 (2.41% £1.79m), but is still within the profiled forecast to meet the year-end target. Performance for the same quarter in 2016/17 was similar at 2.51% (£1.89m).

This is considered a good achievement bearing in mind the numbers of tenants impacted by wider welfare reform changes including the under-occupation charge and Universal Credit. Work is currently underway to change the way teams work to maximise rent collection and help people to sustain their tenancies in preparation for the wider roll out of Universal Credit from October 2017.

The number of evictions at the end of Q2 was 28, which is the same as at the end of Q2 last year. Fewer evictions reduces former tenant arrears and void costs. Payment by direct debit continues to be encouraged, with almost 500 more tenants now paying this way compared to the same time last year, although it is acknowledged that this is an area where we can improve.

8.2 **Performance measure:** Void Rent Loss – Percentage of rent loss through vacant dwellings (within tolerance – amber)

Performance at the end of Q2 was 0.98%, which is almost achieving the target of 0.97%, and is an improvement on Q1 performance (1.16%). This is a significant improvement compared to the same period last year and reflects an improving trend seen since June. Rent loss for the year to date is £362,840, which is just over £3,000 worse than at the same point last year.

The North area of the Borough continues to be the area performing best, with a year-to-date performance of 0.77%. The East area has improved considerably since last quarter, returning to the good performance we have come to expect. The highest percentage of void rent loss is now in the Central area, which is 1.14% for the year-to-date, but has shown month-on-month improvement since June.

The average overall re-let times for void properties, which includes major works, stands at 45 days, which is 5 days less than at the end of Q1 and 3 days less than at the same time last year. A review of the voids process has

recently concluded, focusing on reducing turnaround times whilst maintaining quality standards, and a number of changes are being considered.

8.3 **Performance measure**: Number of households in temporary accommodation (below target – red)

The number of households who remained in temporary accommodation at the end of Q2 was 21. This is considerably higher than the target of 10 households, and although this is a slight improvement from Q1 (22), it is higher than the same point last year (10).

The recent increase in homelessness and rough sleeping within the borough has had a significant impact on the numbers in temporary accommodation. We have responded to these pressures, and although performance had improved in Q1, the number of households entering temporary accommodation was above 10 per month throughout Q2.

An assessment backlog had accumulated, which has now been cleared enabling the service to focus on casework and improving the throughput of temporary accommodation.

The increase in the level of homelessness and rough sleeping has led to a reconsideration of how the use of temporary accommodation is targeted, specifically whether targeting a low number of households in temporary accommodation is an appropriate measure for the future and driving the right behaviours. Alternative measures of the pathway from homeless to sustainable tenancy have been developed and will be reported on during the second half of the year.

8.4 **Performance measure**: Number and % of households maintaining or established independent living (performing well – green)

This indicator is taken as a snap-shot at the end of the quarter when there were 43 households supported to maintain or establish independent living, against the contractual target of 40. This is an improvement in performance compared to previous quarters and higher than the 38 households at the end of Q2 last year.

As indicated at 4.5 above, the increase in homelessness and rough sleeping within the borough has increased the pressures on staffing within this area of the business as previously reported.

8.5 **Performance Measure:** Complaints – Percentage of Service Failure and Dissatisfaction (below target – red)

Complaints are reported one month in arrears to allow time for the complaint to be investigated and closed in line with our service standards. All complaints are investigated and categorised as either 'service failure' or 'service dissatisfaction'. Complaints are considered 'service failure' when policies and procedures have not been followed, effectively these are complaints that have been 'upheld'.

The total number of complaints received in June, July and August was 273, of which 75 (28%) were upheld as service failure and 198 (72%) were service

dissatisfaction. This brings the year-to-date performance to 29% service failure against a target of 19%.

Whilst the number of complaints has increased by 10% compared to the same point last year, this should be seen in the context of the number of interactions with customers. On average, there are 25,000 customer interactions per month, which lead to an average of 90 complaints per month of which 25 are upheld as service failures (1 for every 1,000 interactions). This means complaints are 0.37% of total customer interactions, and complaints upheld as service failures are 0.10% of total customer interactions.

Whilst complaints are received in a variety of service areas, the main areas are repairs and maintenance, and tenancy and estate management. These areas of the business have arguably the highest levels of visibility to tenants and the highest volume of jobs. The nature of complaints varies, and includes issues with response times and quality of work.

8.6 **Performance measure:** Right first time (performing well – green)

At the end of Q2 146 out of 12,522 jobs were not 'right first time', which means performance in the quarter was 98.83%. Performance for the year to date is 98.46%, exceeding the 98% target level.

There are a variety of reasons for jobs not being 'right first time', such as materials related, though tenants may also request changes to scheduled dates or work.

8.7 **Performance measure:** Scheduled repairs, percentage of promises kept (within tolerance – amber)

Q2 performance was 98.21%, an improvement of 0.43% compared to Q1, with 2,805 of the 2,856 scheduled repairs completed within the promised timescales. Year-to-date performance is 98.25%, which equates to 96 of the 5,484 scheduled jobs not being completed as promised.

8.8 **Performance measure:** Gas servicing, percentage of properties attended against planned (performing well – green)

The annual gas servicing programme commenced in April. In Q2, 7,724 properties were visited making the year-to-date total 16,004 properties. At the end of September, 126 properties did not have an up-to-date landlord certificate (CP12) and are currently being managed within the 'no access' procedure.

8.9 **Performance measure**: Days Lost to Sickness per Full Time Equivalent (FTE) (performing well – green)

Sickness levels continue to be better than target, and at the end of Q2 were 3.58 days per FTE against a mid-year target of 3.76 days. This is an improvement of 0.25 days per FTE compared to the same time last year. However, sickness increased during August and September, therefore the forecast for the end of the year is 7.98 days against the target of 7.90 days.

Sickness for the 12 months to the end of September is 7.98 days per FTE.

The top reason for absence during Q2 was musculo/skeletal followed by stress/depression/anxiety, continuing the recent trend.

8.10 **Performance measure**: Percentage of invoices paid within 30 days (performing well – green)

Performance for Q2 is 97.50%, which is slightly below Q1 (97.57%) but well within the target of 95%. This is also an improvement of 0.36% compared to the same time last year. In total, 9,600 of 9,846 invoices received were paid within 30 days..

8.11 **Performance Measure:** Percentage of Local Expenditure (below target – red)

This is a new KPI introduced in 2017/18 to reflect the Mayoral priority for the proportion of money spent with local businesses and other local organisations. The target is for at least £2 out of every £3, or 66%, to be spent locally in Doncaster. Performance improved slightly during Q2, bringing the year-to-date spend to 52%. Whilst this is below target and below the 60% achieved for 2016/17, it does equate to £2,645,454 spent locally. A further 32% is spent within the Yorkshire and Humber region.

OPTIONS CONSIDERED

9.   Not applicable

REASONS FOR RECOMMENDED OPTION

10.   Not applicable

IMPACT ON THE COUNCIL'S KEY PRIORITIES

11.

Outcomes	Implications
All people in Doncaster benefit from a thriving and resilient economy. • *Mayoral Priority: Creating Jobs and Housing* • *Mayoral Priority: Be a strong voice for our veterans* • *Mayoral Priority: Protecting Doncaster's vital services*	Work of St. Leger Homes of Doncaster impacts on Council key priorities, with implications on the quality of life for Doncaster Council's tenants and other residents and the communities they live in.
People live safe, healthy, active and independent lives. • *Mayoral Priority:* Safeguarding our Communities • *Mayoral Priority:* Bringing down the cost of living	

People in Doncaster benefit from a high quality built and natural environment. • *Mayoral Priority: Creating Jobs and Housing* • *Mayoral Priority: Safeguarding our Communities* • *Mayoral Priority: Bringing down the cost of living*	
All families thrive. • *Mayoral Priority: Protecting Doncaster's vital services*	
Council services are modern and value for money.	
Working with our partners we will provide strong leadership and governance.	

RISKS AND ASSUMPTIONS

12.   Specific risks and assumptions are included in Section 8 of this report.

LEGAL IMPLICATIONS

13.   There are no legal implications of this report.

FINANCIAL IMPLICATIONS

14.   In 2017/18 St. Leger Homes will receive a management fee of £28.7m from DMBC. This is made up of £27.7m from the Housing Revenue Account and £1.0m from the General Fund to pay for the general fund services managed by SLHD.

HUMAN RESOURCES IMPLICATIONS

15.   There are no Human Resource Implications for this report.

EQUALITY IMPLICATIONS

16.   Equality implications are considered in line with the Equality Act 2011 for the delivery of all St. Leger Homes services.

CONSULTATION

17.   Consultation has taken place with key managers within St. Leger Homes, the Lead Member for Housing and Senior Officers within the Council.

BACKGROUND PAPERS

18.   None

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Appendix A – St. Leger Homes Key Performance Indicator Summary

KPI	Indicator	Period	Value	Target	DoT	R/A/G
1	Percentage of current rent arrears against annual debit	Q2	2.51%	2.50%	↓	🟢
2	Void rent loss (lettable voids)	Q2	0.98%	0.97%	↑	🔺
3	Number of households in temporary accommodation	Q2	21	10	↑	🔴
4	Number and percentage of households maintaining or established independent living	Q2	43	40	↓	🟢
5	Analysis of complaints received – percentage of service failure	Q2	29%	19%	↑	🔴
	Analysis of complaints received – percentage of complaints upheld against customer interactions	Q2	0.10%	New measure		
6	Right first time	Q2	98.46%	98%	↑	🟢
7	Scheduled repairs – percentage of promises kept	Q2	98.25%	100%	↑	🔺
8	Gas servicing - percentage of programme completed against plan	YTD	100%	100%	↔	🟢
9	Days lost through sickness per FTE	YTD	3.58	3.76	↓	🟢
10	Percentage of invoices paid within 30 days	Q2	97.50%	95%	↓	🟢
11	Percentage of Local Expenditure	Q2	52%	66%	↑	🔴

Notes:
- Direction of travel (DoT) is against performance in the previous quarter.

    ↑ = improving

    ↔ = no change

    ↓ = declining

- Year to Date (YTD) is performance since April 2017.