



Report to Resources Committee

18 November 2015

Title: Performance and Service Standards – Quarter 2 2015/16

Report of: Head of Corporate Services

Purpose of Report

1. To inform the Committee of the quarter 2 Performance Indicators and Service Standards results for 2015/16.

Background

2. As part of the Board Away Day on 24 October 2014, it was agreed that 2015/16 Performance Indicators and Service Standards would be linked to the 5 year TGHC Business Plan and would be scrutinised by the relevant committee, with a summarised report being brought to Board.
3. At the meeting on 19 March 2015, the Board were presented with and approved a structure of which Performance Indicators and Service Standards should be reported to each individual Committee.
4. At the Board meeting on 17 September 2015, the Board approved the proposed rationalisation of Performance Indicators and Service Standards and the revised reporting structure to Committees and Board.
5. The Appendix contains the quarter 2 Performance Indicators and Service Standards results and full commentary. These indicators and the targets were agreed for 2015/16 by the Board at its meeting on 19 March 2015.
6. The results are colour coded, comparing performance against the targets for 2015/16 and against 2014/15 performance.
7. This Committee will escalate any concerns regarding performance against the agreed Performance Indicators or Service Standards to the TGHC Board, on a quarterly basis, for further discussion.

Summary Report

8. The summary page at the front of the report shows the Performance Indicators and Service Standards results and the comparison with the previous year. This is a quick guide to how each service area is performing.

9. We currently have 58 Performance Indicators and Service Standards which are monitored on a quarterly basis. Each indicator will be discussed at the appropriate Committee as follows, with an overall summary being presented to Board:

- Resources Committee – 12 indicators
- Customers and Communities – 33 indicators
- Assets, Development and Investment Committee – 13 indicators
- Audit Committee - none

Resources Committee - Performance Indicator and Service Standards Summary

10. There are currently 12 key Performance Indicators and Service Standards that will be reported to Resources Committee on a quarterly basis.

11. At quarter 2, our performance shows:

- Seven indicators were traffic lighted green. This shows that we have achieved the annual targets for these indicators. This is an increase from 4 at quarter 2 2014/15.
- No indicators were traffic lighted amber in 2015/16 and 2014/15. Amber indicators show that we have not met the target set but performance has increased on the previous year.
- No indicators are traffic lighted red. Red indicators show that we have not met the target set and performance has decreased compared to the previous year. This is a decrease from 3 at quarter 2 2014/15.
- Five indicators are not yet measurable at quarter 2 2015/16. Of these, five indicators two will be reported in quarter 3, two will be reported in quarter 4 and one will be reported quarterly and traffic lighted at year end.

12. The performance results therefore indicate that at quarter 2, performance relating to seven out of the seven measureable Performance Indicators and Service Standards can be traffic lighted as on target, which relates to 100% of our indicators. This is an increase in performance compared to quarter 2 2014/15, when 57% of indicators were on target or improving.

Link to values

13. This performance report is aligned to the Company values of being: -

- Fair
- Customer focused
- Open and honest
- Accountable
- Innovative
- Passionate about what we do

Impact on tenants

14. Performance of the company has an impact on the quality of services we provide to our customers.

Risk Management Implications

15. Performance improvement and providing excellent customer service is a priority for the company. Our operational risk 'Inaccurate Performance Reporting' is mitigated through management sign off of the Performance Indicators and Service Standards results and we are also required to report performance to the Council as part of the management agreement. Key indicators are also included within the TGHC five-year strategic plan 2015-2020.

Financial Implications

16. There are no financial implications arising directly from this report.

Health Implications

17. The provision of excellent customer service and ensuring high satisfaction with the service we provide may have an indirect positive impact on the health and wellbeing of Gateshead residents. Monitoring indicators in relation to ensuring that homes are let quickly will have a positive impact on the health and wellbeing of those tenants on the waiting list. Other indicators may also have an indirect positive impact on the health and wellbeing of Gateshead residents.

Environmental Implications

18. There are no environmental implications arising directly from this report.

Equality and Diversity Implications

19. Our service standards are developed in consultation with tenants and leaseholders to ensure that all of our services are accessible to all of our customers. We continue to collect diversity information about our customers, helping us shape our services around their needs, which are reported as part of the Involvement Update report.

Value for Money implications

20. Performance against target provides an indication of value for money and the performance indicators and service standards assist The Gateshead Housing Company in its focus on ensuring value for money for all tenants and leaseholders.

Consultation carried out

21. There was no consultation carried out relating to this report.

Recommendations

22. The views of the Committee are sought as to whether they are satisfied with the quarter 2 2015/16 performance indicator and service standards results.
23. Any concerns regarding performance against the agreed Performance Indicators or Service Standards are escalated to the TGHC Board for further discussion.

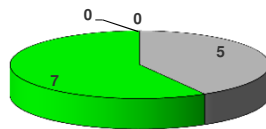


**The Gateshead Housing Company
April - September 2015/16 Performance**

Overall Performance

		Q2 2014/15	Q2 2015/16
Letting & Voids	Rent lost through Council houses being empty		
Rent	% of rent collected		
	Rent arrears of current tenants as a % of the authority's rent roll		
	Former tenant arrears as a % of all rent owed		
Customer Services	Satisfaction with the customer service you received from TGHC		
	% of customers that were satisfied that they were able to talk to the right person		
Leasehold Services	Service charges collected as a % of service charges due		
	Major works charges collected as a % of major works charges due		
	Satisfaction with the account information		
	% disputes raised and responded to within 10 days		
Human Resources	The number of working days lost due to sickness		
	% of employees satisfied with TGHC as an employer		

	Q2 2014/15	Q2 2015/16
Baseline Year or Not Yet Measurable	5	5
On Target	4	7
Not on Target but Improved	0	0
Not on Target	3	0





The Gateshead Housing Company

April - September 2015/16 Performance

Lettings & Voids

Aims of the service

The lettings service and the void service cover a range of issues affecting customers who may be applying for a home, starting a new tenancy, or who may simply have an empty property near to them. We aim to offer advice and support to those looking to move, ensuring that housing needs are correctly identified, and that customers understand their prospects of rehousing. Our "Void team" instructs and monitors the work of our repair partners to ensure that empty properties are efficiently and economically prepared to our agreed lettable standard. In preparing empty properties and managing the lettings scheme we aim to minimise the number of days that properties are empty, as well as the potential rent lost. Our service standards also focus on the information, advice and support that we give to new tenants - because we want tenants to successfully settle in at their new homes, and enjoy living there for years to come. An additional aim for this year is to monitor and address the increase in low demand on certain property types.

Overall result for the service and the outcomes for customers

Although the level of vacant properties has reduced from the same period 12 months ago, turnover of properties remains very high, and lack of demand for properties is contributing to rent loss. Performance is within target and trends in tenancy terminations and demand are being closely monitored.

Lettings and Voids



Not on Target



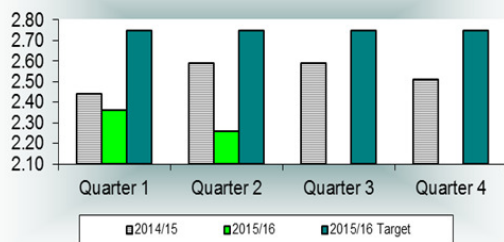
Not on Target but Improved



Target Met/ Exceeded

	Lettings and Voids	Performance 2014/15	Target 2015/16	Performance Apr - Sep 2015/16	Result Against Target	Trend Against Prior Quarter
	Rent lost through Council houses being empty	2.51%	2.75%	2.26%		

Rent lost through Council houses being empty



Rent lost through Council houses being empty

Current Performance

Vacant property rent loss at the end of quarter 2 is 2.26% (£1,057,743.57). A reduction of 0.1% compared to quarter 1 2015/16 and a reduction of 0.33% compared to this period last year. The numbers of terminations and vacant properties remain high. There were 414 voids at the end of quarter 2, compared to 536 in 2014/15, a reduction of 122 properties.

Supplementary Information

2.26% = £1,057,743.57 (2015/16) 2.59% = £1,196,309.46 (April - Sept 2014).

Average time to let properties is 59.58 days, which is a reduction of 4.64 days compared to quarter 1 2015/16 and a reduction of 11.3 days compared to 2014/15. Void date to "Ready to Let" = 29.75 days (30.06 days 2014/15); Ready to Let to LET = 29.83 days (40.82 days 2014/15).

TGHC continue to work with Construction Service and Mears to identify efficiencies and reduce the average time properties are vacant. The Repairs Manager compares the performance of both partners monthly and this is discussed in operational meetings. By sharing performance information and working practices service improvements are being made.



The Gateshead Housing Company

April - September 2015/16 Performance

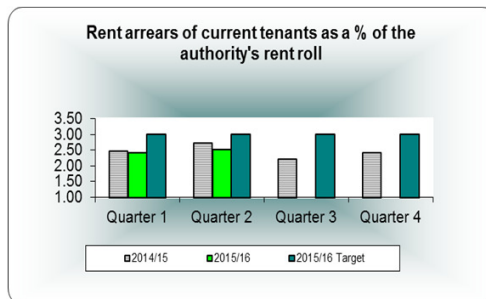
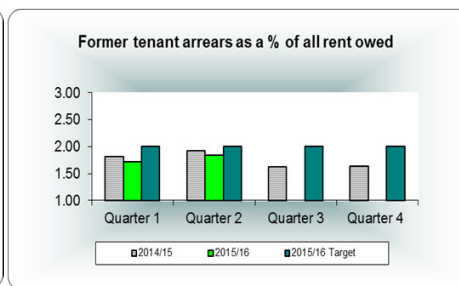
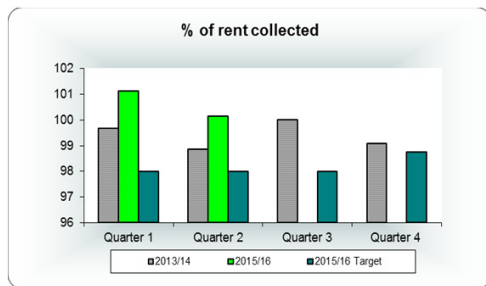
Rent & Income Team

Aims of the service
The Rent and Income Team aim to maximise rental income and prevent rent arrears by providing: a range of payment methods; clear information on how much rent to pay; advice and support on how to claim benefit and to assist with the completion of Discretionary Housing Payment (DHP) applications. The service has a firm but fair approach that is focused on working with tenants to prevent or reduce any arrears and therefore sustain tenancies. Tenants affected by the various welfare reforms will be monitored to ensure action whether it be support or enforcement is taken promptly, whilst doing all we can to mitigate the negative affects. Financial inclusion will remain at the heart of what we do to ensure we maximise tenants income and reduce their expenditure (i.e. fuel switching, affordable credit etc). The service also collect former tenant arrears and rechargeable repairs, focusing on recoverable accounts to increase collection.
Overall result for the service and the outcomes for customers
Performance at the end of quarter 2 is encouraging with all indicators ahead of target. There has been an arrears reduction compared to the same period in 2014/15 which has resulted in a collection rate exceeding 100%. The current climate remains challenging with Welfare Reform still affecting a considerable number of tenants; the roll out of Universal Credit continues and is starting to impact, however numbers are still fairly low. Discretionary Housing Payments (DHP) awards remain high and are a considerable help to tenants affected by under occupation. The impact of Universal Credit will continue to be closely monitored.

Rent Payments and Advice

R Not on Target
 A Not on Target but Improved
 G Target Met/ Exceeded

	Rent Payments and Advice	Performance 2014/15	Target 2015/16	Performance Apr - Sep 2015/16	Result Against Target	Trend Against Prior Quarter
	% of rent collected	99.10%	Q1-3, 98% Q4, 98.75%	100.16%	G	↑
	Rent arrears of current tenants as a % of the authority's rent roll	2.41%	3%	2.51%	G	↓
	Former tenant arrears as a % of all rent owed	1.64%	2%	1.84%	G	↓



% of rent collected

Current Performance

The percentage of rent collected at the end of quarter 2 is 100.16% which is ahead of target. This compares to 98.88% for the same period last year which shows performance this year has been excellent so far.

Supplementary Information

There were 8 evictions carried out during September bringing the cumulative total at the end of quarter 2 up to 35, this compares to 36 for the same period last year.

Rent arrears of current tenants as a % of the authority's rent roll

Current Performance

At the end of quarter 2 arrears are £2,257,744 giving a result of 2.51% against the rent roll. This figure is £134,764 less than the same stage last year. This is an excellent result for the service given the challenging economic climate. Arrears have increased by £123,228 since the start of this financial year, for the same period in 2014/15 arrears increased by £408,876 from the start of the financial year; this is a considerable improvement.

Supplementary Information

We are still receiving a high volume of DHP to tenants' rent accounts, mainly those tenants affected by under occupation. The anticipated rent roll for 2015/16 is £89,887,136.

Former tenant arrears as a % of all rent owed

Current Performance

At the end of quarter 2 former tenant arrears were £1,649,744 giving performance of 1.84% against the rent roll. The total FT arrears figure is £54,963 less than the same point last year.

Supplementary Information

Collection up to the end of quarter 2 was £108,149 which is £12,000 less than the same point last year. The amount of new debt created is almost identical to last year, £272,203 at the end of quarter 2. There will be one write off planned for 2015/16 and this will take place in quarter 4.



The Gateshead Housing Company

April - September 2015/16 Performance

Customer Services

Aims of the service

Customer service is a cross cutting area which is focused on ensuring that we are delivering the services that people need in the most appropriate way. This includes areas such as knowing our customers, access to services and how effectively we deal with complaints.

Overall result for the service and the outcomes for customers

We will continue to monitor complaint satisfaction during 2015/16 and look at areas where we need to improve. We currently have a positive result for satisfaction reporting although no direct comparison can be made, this is due to 2014/15 survey responses offered being changed in 2015/16 to conform with industry standard, see below for more information.

Customer Services



Not on Target



Not on Target
but Improved



Target Met/ Exceeded

Customer Services	Performance 2014/15	Target 2015/16	Performance Apr - Sep 2015/16	Result Against Target	Trend Against Prior Quarter
Satisfaction with the customer service you received from TGHC	96.10%	91%	To be reported in quarter 3		
% of customers that were satisfied that they were able to talk to the right person	93.58%	90%	To be reported in quarter 4		

Satisfaction with the customer service you received from TGHC

Current Performance

The Customer Service Satisfaction Survey is distributed in quarter 4 to 5,000 randomly selected customers. Performance results will also be collated and reported in this quarter. A further report covering the overall survey results will be presented to the Customers and Communities Committee.

Supplementary Information

% of customers that were satisfied that they were able to talk to the right person

Current Performance

This indicator will be collected via the Customer Service Satisfaction Survey which is distributed in quarter 4 to 5,000 randomly selected customers. Performance results will also be reported in this quarter. A further report covering the overall survey results will be presented to Customers and Communities Committee.

Supplementary Information



The Gateshead Housing Company

April - September 2015/16 Performance

Leasehold Services

Aims of the service

The Leasehold Services Team provides leasehold management functions for over 800 owners of Council flats and maisonettes within the borough, as well as 13 Shared Ownership properties on behalf of Keelman Homes. The aim of the service is to calculate and collect service charge income, including major works, and to maximise collection by providing a range of payment methods and financial assistance packages. The team also aims to develop involvement, enabling leaseholder participation in improving services and ensuring that leaseholders are fully consulted on works and long term agreements, entered into by the Company.

Overall result for the service and the outcomes for customers

Performance has exceeded targets for both income collection indicators. Excellent cross service working between Leasehold Services and Property Services has ensured that a 100% response rate has been achieved for answering customer enquiries. The prompt response and resolution of enquiries contributes towards early settlement of service charges.

Leasehold



Not on Target

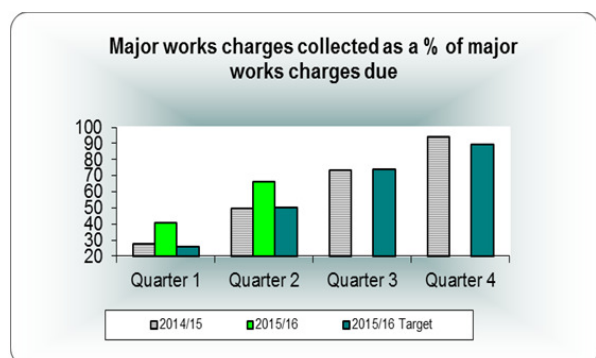
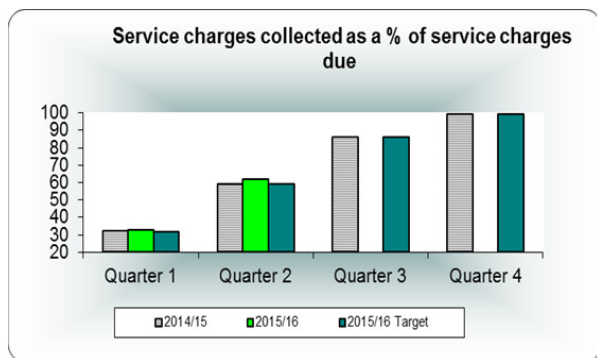


Not on Target but Improved



Target Met/ Exceeded

	Leasehold Services	Performance 2014/15	Target 2015/16	Performance Apr - Sep 2015/16	Result Against Target	Trend Against Prior Quarter
	Service charges collected as a % of service charges due	99.41%	Q1 32%, Q2 59%, Q3 86%, Q4 99.38%	61.74%		
	Major works charges collected as a % of major works charges due	94.05%	Q1 26%, Q2 50%, Q3 74%, Q4 89.5%	66.36%		
	Satisfaction with the account information	80.80%	83%	To be reported in Quarter 3		
	% disputes raised and responded to within 10 days	100.00%	95%	100%		



Service charges collected as a % of service charges due

Current Performance

Quarter 2 performance has exceeded target and has improved when compared to the same period last year (59.16%). Changes to the arrears procedures that were agreed with the Leaseholder SIG in April 2015, and implemented throughout this year, have helped support collection rates.

Supplementary Information

Service charges due for the year (including actual charges) £461,430. Income collected at end of quarter 2 £284,900.

Major works charges collected as a % of major works charges due

Current Performance

Performance has substantially exceeded quarter 2 target, and is higher when compared to the same period last year (49.32%). Ten leaseholders have taken advantage of earlier re-payment discounts and have paid service charge actual invoices in full (£7,139). In addition to this at the end of quarter 2, twelve leaseholders have cleared outstanding balances in full (£9,758). Changes to the arrears procedures, as detailed above, have aided debt recovery.

Supplementary Information

Total collectable income for quarter 2 is £59,386. Income collected £39,409.

Satisfaction with the account information

Current Performance

This indicator is part of the Service Charge Billing and Collection Satisfaction Survey which is distributed in quarter 2 and reported in quarter 3. The survey is distributed to all leaseholders after they have received their estimated service charge invoices in February and actual service charge invoices in June.

Supplementary Information

% disputes raised and responded to within 10 days

Current Performance

Performance continues to be on target for disputes raised and responded to within 10 working days. This has been achieved through closer working links between Leasehold Services and Property Services, with a co-ordinated approach to achieve tangible outcomes for customers. This has resulted in 100% response rate for customers within service standard timescales.

Supplementary Information



The Gateshead Housing Company

April - September 2015/16 Performance

Human Resources

Aims of the service

To ensure that all our people management and development activities are relevant and consistent and make a positive contribution to the success of our strategic plans. Our aim is to get the right people, in the right job, at the right time and to address qualitative issues such as employee behaviour and organisational culture. We aim to have the right structures in place to provide the best possible service and to develop TGHC so it is effective and diverse in meeting the demands of our broader customer base. We will achieve this through developing plans for employee engagement and well being.

Overall result for the service and the outcomes for customers

We are pleased with the reduction in absence when compared to the same period last year. We apply a consistent approach to managing absence through our policy and the implementation of a Service Level Agreement (SLA) for Occupational Health Services with Gateshead Council. This, combined with our health and wellbeing initiatives and family friendly policies, has had a positive impact on the health of our employees that will directly improve the services to our customers.

Human Resources



Not on Target



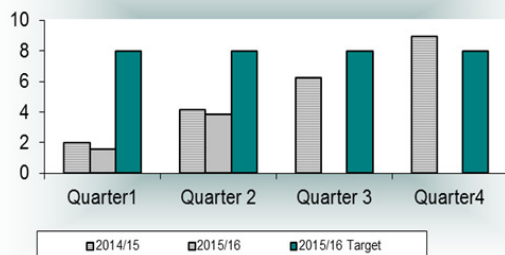
Not on Target but Improved



Target Met/ Exceeded

	Human Resources	Performance 2014/15	Target 2015/16	Performance Apr - Sep 2015/16	Result Against Target	Trend Against Prior Quarter
	The number of working days lost due to sickness	8.9 days	8 days	3.86 days		
	% of employees satisfied with TGHC as an employer	70%	74%	To be reported in quarter 4		

The number of working days lost due to sickness



The number of working days lost due to sickness

Current Performance

The total sickness absence for the period equates to 3.86 days per person, compared to 4.13 days for the same period last year. Short term absence (15 working days or less) for the period was 1.64 days per person compared with 1.74 days for the same period last year. Long term absence (15 days working days or more) was 2.22 per person, this compares with 2.39 for the same period last year. The biggest cause of absence was stress with 259 days lost compared to 422 days lost last year in the same period, a decrease of 39%.

Supplementary Information

We continue to manage absence through absence review meetings and the provision of occupational health services. The Better Health and Work Award (BHAWA) is delivering a programme of health awareness on a monthly basis. Our consistent approach to managing absence and support to employees has resulted in a reduction in overall absence and a significant reduction in stress related absence, when compared to the same period last year, which is an excellent result for the service and the company overall.

% of employees satisfied with TGHC as an employer

Current Performance

This indicator will be reported at year end.

Supplementary Information

The 6th generation Investors in People (IIP) standard was launched in October 2015. We are currently assessing the impact of the revised standard on our organisation and the outcome will be reported in the HR Update report presented to Resources Committee in quarter 4. We have also registered with The Sunday Times Best 100 Companies and we will undertake an employee engagement survey in October 2015. Following analysis by The Sunday Times, results will be released in February 2016 and reported in the Performance Report to Board and Resources Committee also in quarter 4.