

Report to Resources Committee

3 May 2016



Title: Performance and Service Standards – Quarter 4 2015/16

Report of: Head of Corporate Services

Purpose of Report

1. To inform the Committee of the quarter 4 Performance Indicator and Service Standard 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 five-year TGHC Business Plan and would be scrutinised by the relevant committee, with a summarised report being taken 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 4 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. Since November 2015 performance results have been collated via the APEX performance management system. As a result the format of the Appendix has changed.
7. The results are colour coded, comparing performance against the targets for 2015/16.
8. 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

9. The grid at the beginning of the Appendix is a quick summary guide to how we are performing. It shows those Performance Indicators and Service Standards that are achieving target, not achieving target, not achieving target but improving on 2014/15 performance results and those indicators that are not yet measurable or baseline for 2015/16.
10. 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 Summary

11. There are currently eight Key Performance Indicators that are reported to Resources Committee on a quarterly basis.
12. At quarter 4, 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 five at quarter 4 2014/15.
 - No indicators were traffic lighted amber. Amber indicators show that we have not met the target set but performance has increased on the previous year. This is a decrease from one at quarter 4 2014/15.
 - One indicator is 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 two at quarter 4 2014/15.
 - All indicators were measurable at quarter 4 2015/16. This is comparable with performance at quarter 4 2014/15.
13. The performance results therefore indicate that at quarter 4, performance relating to seven out of the eight measureable Performance Indicators can be traffic lighted as on target or improving, which relates to 88% of our indicators. This is an increase in performance compared to quarter 4 2014/15, when 75% of indicators were on target or improving.

Resources Committee - Service Standards Summary

14. There are currently four Service Standards reported to Resources Committee on a quarterly basis.
15. At quarter 4, our performance shows:
 - One indicator was traffic lighted green. This shows that we have achieved the annual targets for these indicators. This is a decrease when compared to quarter 4 2014/15 when two indicators were traffic lighted green.

- No indicators were traffic lighted amber. This shows that we have not met the target set but performance has increased on the previous year. This is a decrease from one at quarter 4 2014/15.
 - Three indicators were traffic lighted red. This shows that we have not met the target set and performance has decreased compared to the previous year. This is increase from quarter 4 2014/15 when no indicators were traffic lighted red.
 - All indicators are measurable at quarter 4 2014/15. In quarter 4 2014/15 one indicator was baseline and unmeasurable.
16. The performance results therefore indicate that at quarter 4, all indicators are measurable with 25% of indicators can be traffic lighted as on target. This is a decrease in performance when compared to quarter 4 2014/15 when 75% of targets were measurable and on target.

Link to values

17. 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

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

Risk Management Implications

19. 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

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

Health Implications

21. 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

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

Equality and Diversity Implications

23. 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

24. 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

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

Recommendations

26. The views of the Committee are sought as to whether they are satisfied with the quarter 4 2015/16 Performance Indicator and Service Standard results.
27. Any concerns regarding performance against the agreed Performance Indicators and Service Standards are escalated to the TGHC Board for further discussion.

Quarter 4 2015/16
4
8
0
0

Not on Target
On Target
Not on Target but Improved
Baseline Information/No Targets/No Activity

Service	Performance Indicator	Performance Indicator Type	2014/15 Performance	Quarter 4 Target	Quarter 4 Performance	Trend	Traffic Light	Comments
Resources Committee								
Human Resources	% of employees satisfied with TGHC as an employer	Key Performance Indicator	70.0%	74.0%	77.0%	N/A		We have used the Sunday Times Best Companies survey to measure the engagement levels of our employees, adopting their definition of engagement which is "doing it because you want to, not because you have to." This year, 54% of our employees responded to the survey with 77% of employees being satisfied with TGHC as an employer. This is an improvement in 2014/15 result when 70% were satisfied. A People's Strategy 2015-20 is being presented to Resources Committee in May 2016. The report outlines our commitment to carrying out employee engagement plans to improve over the life of the strategy.
Human Resources	The number of working days lost due to sickness	Key Performance Indicator	8.90	8.0	10.29	N/A		The total sickness absence for the period equates to 10.29 days per person, compared to 8.91 days for the same period last year. Short term absence (15 working days or less) for the period was 3.89 days per person compared with 3.91 days for the same period last year. Long term absence (15 days working days or more) was 6.42 per person, this compares with 5.00 for the same period last year. The biggest cause of absence was post operation recover and stress which both increased by 15%. We continue to manage absence through the provision of occupational health services and absence review meetings between employees and Managers. Whilst both of these tools are effective in reducing sickness absence there has been an unprecedented number of employees absent during January to March as detailed above.
Leasehold Services	Major Works charges collected as a percentage of major works charges due	Key Performance Indicator	94.05%	89.50%	97.83%	↑		Performance has substantially exceeded the quarter 4 target, and is higher when compared to the same period last year (94.05%). Ten leaseholders have taken advantage of earlier re-payment discounts and have paid major works actual invoices in full (£7,139). Changes to the arrears procedures have aided debt recovery. Total collectable income for quarter 4 is £62,064. Income collected £60,717.
Leasehold Services	Service charges collected as a percentage of service charges due	Key Performance Indicator	99.41%	99.38%	102.76%	↑		2015/16 performance has exceeded target and has improved when compared to 2014/15 (99.41%). Changes to the arrears procedures, that were agreed with the SIG in April 2015 and implemented throughout this year, have helped support collection rates. However, leaseholders are taking advantage of early payment options and paying service charges in advance. This has resulted in the 102.76% 2015/16 collection. Service charges due for the year (including actual charges) £463,558. Income collected at end of quarter 4 £476,354
Rent and Income	% of rent collected	Key Performance Indicator	99.10%	98.75%	99.81%	↓		The percentage of rent collected at the end of 2015/16 was 99.81%, which is an improvement on last year's performance (99.10%). 46% (£40.5m) of rental income was paid by tenants directly, with the remaining 54% (£47.1m) received via housing benefit. 6 evictions due to rent arrears were conducted in March bringing the total for the year to 57 which equates to a debt value of £137k. This compares to 73 rent arrears evictions with a debt value of £175k for the previous year which is a significant improvement. The Housing Company monitors rent arrears closely and works with tenants to alleviate rent debt accumulating.

Service	Performance Indicator	Performance Indicator Type	2014/15 Performance	Quarter 4 Target	Quarter 4 Performance	Trend	Traffic Light	Comments
Rent and Income	Rent arrears of current tenants as a percentage of the authority's rent roll	Key Performance Indicator	2.41%	3.0%	2.45%	↓		Year-end 2015/16 arrears are £2,199,664 with a performance of 2.45%. Arrears are £65,148 higher than 2014/15 (£2,134,516); however this is still within target. A rent arrears increase was anticipated due to the continued impact of Welfare Reform. The increase in arrears on accounts where the tenant is in receipt of Universal Credit (UC) is £62k, meaning almost the entire increase in arrears can be attributed to UC. Rent arrears are monitored closely and the RAIT work closely with tenants affected by UC and Welfare Reform.
Rent and Income	Former tenant arrears as a percentage of rent owed	Key Performance Indicator	1.64%	2.0%	1.38%	↑		At the end of 2015/16 Former Tenant (FT) arrears were £1,240,154 with a result of 1.38%. FT arrears collection was £226,264 which is a slight reduction on last year's performance (£229,492). However there was a significant reduction in the amount of new debt created in 2015/16 at £500,071 from £583,697 in the previous year. £519,454 of FT debt has been written off this year, which is higher than last year's figure (£438,268).
Void properties	Rent lost through Council houses being empty	Key Performance Indicator	2.51%	2.75%	2.16%	↑		There were 441 voids at the end March, compared to 431 in 2014/15, an increase of 10 properties. 2.16% = £1,940,660.49 Rent Loss due to properties being empty in 2015/16 (2.51% = £2,220,592.21 2014/15). The average time to let properties is currently 55.96 days, which is a reduction of 18.18 days compared to 74.14 in 2014/15. Void date to Ready to Let = 22.65 days (35.28 days 2014/15). Ready to Let to LET = 33.31 days (38.86 days 2014/15). TGHC continually work with Construction Services 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. Void rent loss has steadily reduced since June 2015.

Resources Committee

Customer Service	% of customers that were satisfied that they were able to talk to the right person	Service Standard	93.58%	90.0%	78.30%	↓		The Customer Service Satisfaction Survey was distributed in quarter 4 to 5,000 randomly selected customers. There were 397 responses and of these 311 (78.3%) were satisfied that they were able to talk to the right person. A further detailed report covering the overall survey results, themes and trends will be presented to Customers and Communities Committee.
Customer Service	% of satisfied with the customer service you received from TGHC	Service Standard	96.10%	91.0%	83.60%	↓		Of the 397 responses 332 customers (83.6%) were satisfied with the customer service they received from TGHC. This indicator was also derived from the Customer Service Satisfaction Survey and further details will be included in a Customers and Communities Committee report as detailed above.
Leasehold Services	% disputes raised and responded to within 10 days	Service Standard	100.0%	95.0%	100.0%	→		Excellent year to date performance has been achieved through closer working links between Leasehold Services and Property Services, with a co-ordinated approach to achieve tangible outcomes for customers. 39 disputes have been raised all of which have been responded to within 10 working days.
Leasehold Services	Satisfaction with the account information	Service Standard	80.80%	83.0%	76.67%	→		60 Leaseholders responded to the annual leaseholder survey, an increase on 2014/15 when 53 responses were received. However satisfaction with account information has decreased. Each instance of dissatisfaction has been investigated and discussed with the Leasehold Service Improvement Group (SIG). It has been agreed to investigate an improved method of data collection as part of the Leaseholder Service Plan 2016/17.