

Report to the Board

22 November 2018



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**Title:** Performance and Service Standards – Quarter 2 2018/19

**Report of:** Director of Business and Development

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**Purpose of Report**

1. To inform the Board of the Performance Indicator and Service Standard results for second quarter 2018/19.

**Background**

2. Specific Key Performance Indicators and Service Standards are scrutinised by the relevant Committee, with a summarised report being brought to Board.
3. The relevant Committees will escalate any concerns regarding performance to The Gateshead Housing Company (TGHC) Board, on a quarterly basis, for further discussion if required.
4. The Appendix contains the quarter 2 Key Performance Indicator results. These indicators and their targets were agreed for 2017/18 by the Board at its meeting on 29 March 2018.
5. During 2017/18, a summary of all Key Performance Indicators and Service Standards were presented to Board on a quarterly basis. It was proposed for 2018/19 that the Board receive those Key Performance Indicators that will measure progress with the Corporate Plan 2018-2023. This was agreed with Board in their meeting on 29 March 2018.

**Summary Report**

6. The results are colour coded, comparing performance against the targets for 2018/19.
7. The grid at the beginning of the Appendix is a quick summary guide to how we are performing. It shows those Key Performance Indicators that are achieving target, not achieving target, not achieving target but improving on 2017/18 performance results and those indicators that are not yet measurable or baseline for 2018/19.

8. We currently have 41 Key Performance Indicators and Service Standards which are monitored on a quarterly basis. Each indicator has been presented for discussion at the appropriate Committee as follows, with the overall summary being presented to Board:

- Resources Committee – 12 indicators
- Customers and Communities – 20 indicators
- Property and Assets Committee – 9 indicators
- Audit Committee - None

### **Corporate Plan Key Performance Indicator Summary**

9. Of the 17 Key Performance Indicators to be reported to Board, 10 will be reported quarterly and seven will be reported annually.

10. At the second quarter, our performance shows:

- One indicator is traffic lighted green. This shows that we have achieved the annual targets for these indicators
- One indicator is traffic lighted amber. Amber indicators show that we have not met the target set but performance has increased on the previous year
- Five indicators are traffic lighted red. This shows that we have not met the target set and performance has decreased compared to the previous year
- Ten indicators are set with a baseline target for 2018/19. Seven indicators are new to the reporting structure for 2018/19. Three are currently reported although the method of collection has changed for 2018/19 and, to reflect this, targets are to be set at baseline. Performance collected in the year will be used to develop targets for 2019/18.

11. The performance results therefore indicate that at the second quarter, performance relating to two of the seven measureable Key Performance Indicators can be traffic lighted as on target or improving, which relates to 29% of our indicators.

### **Committee Performance Indicator Reporting**

12. Key Performance Indicators and Service Standards were discussed at the relevant Resources Committee (8 November), Property and Assets Committee (5 November) and Customers and Communities Committee (15 November). No items were raised as concerns requiring escalation to the Board. All queries raised were resolved as part of Committee discussions, with any additional information provided to the relevant Committee where requested.

### **Link to values**

13. This performance report is aligned to the following Company values:

- 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. We are required to report performance as part of the Management Agreement with the Council and results are scrutinised through the Council liaison meetings.

### **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.

### **Environmental Implications**

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

### **Equality and Diversity Implications**

19. Key Performance Indicators and Service Standards are developed in consultation with tenants and leaseholders where possible to ensure that 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 a specific target provides an indication of Value for Money and the Key Performance Indicators and Service Standards assist TGHC in its focus on ensuring Value for Money for all tenants and leaseholders.

### **Consultation carried out**

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

## **Recommendation**

22. The views of the Board are sought as to whether they are satisfied with the quarter 2 2018/19 Key Performance Indicator results.

# The Gateshead Housing Company

Quarter 2 2018/19	
Not on Target	5
On Target	1
Not on Target but Improved	1
Baseline Information/No Targets/No Activity	10

## Appendix

Service	Performance Indicator	Year End 2017/18 Performance	Quarter 2 2018 Target	Quarter 2 2018 Performance	Trend	Traffic Light	Comments
Accountancy	Cost of repairs	N/A	N/A	£114.25	↑		<p>The average delivery cost of a responsive repair during quarter 2 was £94.84 and the average management cost of a responsive repair was £19.41, giving a total average cost of a completed responsive repair of £114.25.</p> <p>This is a reduction from £115.35 in quarter 1.</p> <p>Performance data is split between delivery/management costs which will be used to target resources in those areas that will benefit the organisation and achieve Value for Money (VFM). Performance results may initially indicate that low proportion of management spend is a good thing, in reality these measures are about achieving the right balance.</p> <p>Investing in employees to manage contractors/operatives can in theory help keep service provision spend low.</p> <p>This indicator is new for 2018/19 and is set with a baseline target.</p> <p>Performance data collected in 2018/19 will be used to develop 2019/20 targets. HouseMark annual benchmarking median performance is £112 for 2017/18.</p>
Asset and Procurement	% of Council rented properties that are not decent	8.26%	N/A	N/A	N/A		<p>Performance for decency will be reported annually and data collected in 2018/19 will be used to develop 2019/20 targets.</p> <p>Investment schemes are approved on an annual basis as part of the Housing Revenue Account (HRA) Housing Investment Programme. These schemes are designed to improve the housing stock, tackle decency, energy efficiency, compliance, equality and health &amp; safety works.</p>
Customer Satisfaction	Likelihood of recommending TGHC to family or friends (Net promoter score)	N/A	N/A	N/A	N/A		<p>The company has undertaken a Customer satisfaction project to gain insight into levels of customer satisfaction and to understand the drivers of satisfaction. During quarter 2 TLF Research (the company procured to conduct the work) undertook a telephone survey of 1,400 tenants and leaseholders and a mirror survey of 250 employees. This indicator will be reported in quarter 3 2018/19.</p>
Customer Satisfaction	% of tenants satisfied with the neighbourhood they live in	83.0%	N/A	N/A	N/A		<p>See comments above for 'Likelihood of recommending TGHC to family or friends (Net promoter score)'.</p>
Customer Satisfaction	% of tenants satisfied with the overall housing services we offer	84.0%	N/A	N/A	N/A		<p>See comments above for 'Likelihood of recommending TGHC to family or friends (Net promoter score)'.</p>
Cyclical Maintenance	% of relevant properties that have had a gas service in the last 12 months	99.93%	100.0%	99.94%	↑		<p>17,225 appliances required a gas service and 11 were outstanding at the end of September. 5 properties became eligible to progress via warrants through the legal process.</p> <p>6 properties could not be serviced due to asbestos found within the loft space. Arrangements are being made to remove the asbestos in order for the services to be carried out safely.</p>
Homeless	Number of households prevented from becoming homeless (PG30)	4711	N/A	N/A	N/A		<p>As above and as reported in quarter 1 to meet the compliance requirements of the Homelessness Reduction Act 2017, we have been required to ensure that all employees are aware of the legislative changes and how they should be applied in practice. For the first time the Northgate housing system will be used to record and extract homeless performance data and it is anticipated that this will result in defined performance reporting. Development work is ongoing both internally and with central Government to ensure accurate reporting takes place. It is anticipated that performance information will available later in the financial year.</p>

Service	Performance Indicator	Year End 2017/18 Performance	Quarter 2 2018 Target	Quarter 2 2018 Performance	Trend	Traffic Light	Comments
HomeRepairs	% of tenants satisfied with the repair service	99.30%	95.0%	99.66%	↓		2,984 customers were asked if they wanted to participate in a satisfaction survey. Of those surveys offered 1,175 were completed and 1,171 were satisfied with the overall service they received, 99.66% (Quarter 1 - 99.73%).
Human Resources	% of employees ceasing employment (voluntary & involuntary)	N/A	N/A	3.5%	N/A		Year to date 27 employees left employment which equates to 3.50% of the workforce. Of the 17 leavers in quarter 2, 1 equated to ill health retirement, 2 retired, 1 temporary contracted ended and 13 resigned. We intend to investigate the voluntary leavers in more detail to ascertain whether there are retention measures the company can consider. Further analysis will be presented to the Resources Committee via the Human Resource Update report on a quarterly basis.
Human Resources	Employee satisfaction with engagement opportunities	N/A	N/A	N/A	N/A		A temperature check survey is to be circulated to all employees in quarter 3. TGHC have a diverse workforce and any survey must be concise, far reaching and gain as many employee views as possible. We are going to actively encourage participation through promotion planned via In House and team briefs. We will present findings to the Resources Committee via the Human Resource Update report on a quarterly basis. We will publish survey results in quarter 4 and use data to improve our employment offer to employees.
Human Resources	Employee satisfaction with TGHC as an employer	N/A	N/A	N/A	N/A		As above, a temperature check survey is to be circulated to all employees in quarter 3. TGHC have a diverse workforce and any survey must be concise, far reaching and gain as many employee views as possible. We are going to actively encourage participation through promotion planned via In House and team briefs. We will present findings to the Resources Committee via the Human Resource Update report on a quarterly basis. We will publish survey results in quarter 4 and use data to improve our employment offer to employees.
Human Resources	The number of working days lost due to sickness	17.01	8.0	9.0	N/A		In quarter 2 the total days lost per full time equivalent (FTE) was 9 days with the main three causes of absence in quarter 2 being: Muscular Skeletal which accounted for 1,255 days and equated to 22% of the overall absence. Mental Wellbeing which accounted for 952 days and equated to 17% of the overall absence. Post operation/hospital treatment which accounted for 849 days and equated to 13% of the overall absence. More detailed analysis will be carried out to explore the increase in absence and reasons for absence. As above we will present findings to the Resources Committee via the Human Resource Update report on a quarterly basis.
Neighbourhood Services	% of tenancies terminated	N/A	N/A	4.29%	N/A		This is a baseline performance reporting year for this indicator. Total number of tenancies terminated year to date was 824, as total number of 19,165 housing stock. The main termination reasons were medical condition - 19%, deceased – 18%, move closer to family – 9%, property too small – 9%. As in quarter 1 the main two termination reasons remain as 'Deceased' and 'Medical Condition' for quarter 2. The following is a summary of the tenancies terminated in each management area South - 23%, East – 19%, Central – 18%, West – 16%, Multi-Storey Blocks – 14%, Older Persons - 10%. Analysis of termination reasons will be conducted during 2018/19 by 'property type' and this information will be used to identify trends. Trend analysis will be included in the Annual Tenancy and Estate Management Activity report which will be submitted to Customer and Communities Committee in July 2019.

Service	Performance Indicator	Year End 2017/18 Performance	Quarter 2 2018 Target	Quarter 2 2018 Performance	Trend	Traffic Light	Comments
Rent and Income	% of rent collected	99.86%	98.0%	97.29%	↓		Rent collection has decreased from the last period (98.65%) and is now 97.29%. There are now 2,461 tenants in receipt of Universal Credit (UC), and 947 of these have Alternative Payment Arrangements (APAs), with a further 23 APA applications pending. 1,654 tenants have benefit reductions for under-occupation, and 101 tenants are affected by the overall benefit cap. 6 evictions took place during September taking the year to date total to 31.
Rent and Income	Rent arrears of current tenants as a percentage of the authority's rent roll	2.94%	3.50%	4.0%	↓		Current tenant rent arrears are £3,491,054 and have increased when compared to the previous quarter (£3,060,817). The 2,461 tenants receiving UC owe £1,563,032.73. and the 1,654 tenants affected by under occupation owe £191,742. Rent advice and support is offered at every contact made, with arrangements for payments and direct payments also discussed and encouraged. Multiple attempts to contact tenants in arrears are made and appropriate records updated on the Northgate Housing system for evidence.
Rent and Income	Former tenant arrears as a percentage of rent owed	1.99%	2.25%	2.33%	↓		Former Tenant (FT) arrears at the end of August are £2,030,944 compared to £1,696,772 for the same period last year. Collection from FT is £138,123 compared to the same period last year of £125,294. New debt created is £364,316 in comparison to £344,448 last year. The FT escalation processes and procedures are under review. It is envisaged that this will identify improvements to be made which, will have a positive effect on FT collection and prevention.
Void properties	Rent lost through Council houses being empty	2.93%	2.75%	3.30%	↑		Levels of vacant properties have stabilised in quarter 2 at 658 compared to 661 in quarter 1. 46 properties are held pending a council-led consultation on the future of Crowhall Towers and Sir Godfrey Thomson Court in Felling town centre. This is an increase since the first quarter when 40 properties were held. Without these properties, rent loss is estimated to have been 3.11%. 237 void properties are Multi Storey flats. 100 of these in 4 blocks (Regent, Warwick, Eslington and Redheugh Courts) are deferred for low demand and have not yet been identified for relet work as similar properties are already vacant and available for letting. This is a decrease since year end 2017/18 when 124 properties were held. Progress has been made in reducing properties available for letting. 160 voids were RTL at the end of quarter 2. This is a decrease of 125 since year end 17/18 when 285 voids were RTL.