

Report to the Board

19 September 2019



Title: Key Performance Indicators – First Quarter 2019/20

Report of: Head of Business and Development

Purpose of Report

1. To inform the Board of the Key Performance Indicator (KPI) results for the first quarter 2019/20.

Background

2. Specific KPI's 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 first quarter KPI's summary results. These indicators and their targets were agreed for 2019/20 by the Board at its meeting on 28 March and 19 July 2019.
5. During 2018/19 a summary of all KPI's were presented to Board on a quarterly basis. It was proposed 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 2019/20.
7. The grid at the beginning of the Appendix is a quick summary guide to how we are performing. It shows those KPI's that are achieving target, not achieving target, not achieving target but improving on 2018/19 performance results and those indicators that are not yet measurable or baseline for 2019/20.
8. We currently have 38 KPI's 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 – 11 indicators
- Customers and Communities – 18 indicators
- Property and Assets Committee – 9 indicators
- Audit Committee - None

Corporate Plan Key Performance Indicator Summary

9. Of the 15 KPI's to be reported to Board 11 will be reported quarterly and four will be reported annually.
10. At the first quarter, our performance shows:
 - Three indicators are 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.
 - Six indicators are not measurable. Of these indicators two indicators are biennial and will be traffic lighted when the survey is conducted during 2019/20. Of the remaining indicators two will be reported quarterly and two will be reported annually. All are set with a baseline target for 2019/20. Performance data collected in this financial year will be used to set targets for 2020/21.
11. The performance results therefore indicate that at quarter 1, performance relating to four of the nine measureable KPI's can be traffic lighted as on target or improving, which relates to 44% of our indicators.

Committee Performance Indicator Reporting

12. KPI's were discussed at the relevant Resources Committee (5 September), Property and Assets Committee (9 September) and Customers and Communities Committee (12 September).
13. Following discussions at Resources Committee on 5 September, the comments section in respect of percentage of employees ceasing employment (voluntary & involuntary) has been updated to show an accurate breakdown of the 14 voluntary leavers during the period.
14. All other queries raised were resolved as part of Committee discussions, with any additional information provided to the relevant Committee where requested.

Link to values

15. 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

16. Performance of the Company has an impact on the quality of services we provide to our customers.

Risk Management Implications

17. 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

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

Health Implications

19. 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

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

Equality and Diversity Implications

21. KPIs are developed in consultation with tenants and leaseholders where possible to ensure that our services are accessible to all 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

22. Performance against a specific target provides an indication of Value for Money and KPIs assist TGHC in its focus on ensuring Value for Money for all tenants and leaseholders.

Consultation carried out

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

Recommendation

24. The views of the Board are sought as to whether they are satisfied with the quarter 1 2019/20 Key Performance Indicator summary results.

	Quarter 1 2019/20
Not on Target	5
On Target	3
Not on Target but Improved	1
Baseline Information/No Targets Set/No Activ	6

Service Area	Performance Indicator	Indicator Type	2018/19	Quarter 1 2019/20	Quarter 1 2019/20	Trend Against Previous Result	Traffic Light	Comments
			Year End Performance	Target	Actual			
Accountancy	TGHC Cost of repairs	Key Performance Indicator	107.37	106.65	110.46	↓		The average delivery cost of a responsive repair during quarter 1 was £90.42 and the average management cost of a responsive repair was £20.04, giving a total average cost of a completed responsive repair of £110.46. This is an increase from £107.37 at year end of 2018/19 but is an improvement on the quarter 1 position of 2018/19 which was £115.35. 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).
Asset Management	TGHC % of Council rented properties that are not decent	Key Performance Indicator	7.83		7.83	X		Decency for the end of March 2019 is 7.83% (a 0.43% improvement on March 2018). The improvement has been achieved through targeted investment work that has been supported by improvements in both data and surveying practices. To ensure continued improvements it is essential that stock condition information, for all elements of the stock, is recorded in Keystone. This will be done through improved surveying practices across more service areas and the development of new interfaces between Keystone & Northgate. These improvements will support the work around compliance, help support maintaining decency, minimise the risks associated with the Homes (Fitness for Human Habitation) Act 2018 and support the HRA 30 year Business Plan.
Customer Satisfaction	TGHC % of tenants satisfied with the neighbourhood as a place to live	Key Performance Indicator	80.70			X		This performance indicator is currently measured via the biennial customer satisfaction survey. The survey was last distributed to tenants and leaseholders during 2017/18. During 2018/19 we worked with TLF Research to carry out a major customer insight project that provided a clear understanding of both customer satisfaction and what the main drivers to satisfaction are. The TLF survey showed satisfaction with this indicator at 80.7%. An update on outcomes from the TLF project will be submitted to the Board in 2019/20 as part of the Service Plan update in November 2019. The next biennial survey is due to be issued in quarter 2 2019/20 and reported in quarter 3 2019/20.
Customer Satisfaction	TGHC % of tenants, when taking everything into account, that are satisfied the service provided by TGHC	Key Performance Indicator	85.70			X		This performance indicator is currently measured via the biennial customer satisfaction survey. The survey was last distributed to tenants and leaseholders during 2017/18. During 2018/19 we worked with TLF Research to carry out a major customer insight project that provided a clear understanding of both customer satisfaction and what the main drivers to satisfaction are. The TLF survey showed overall satisfaction with TGHC at 85.7%. An update on outcomes from the TLF project will be submitted to the Board in 2019/20 as part of the Service Plan update in November 2019. The next biennial survey is due to be issued in quarter 2 2019/20 and reported in quarter 3 2019/20.

			2018/19	Quarter 1 2019/20	Quarter 1 2019/20			
Service Area	Performance Indicator	Indicator Type	Year End Performance	Target	Actual	Trend Against Previous Result	Traffic Light	Comments
Cyclical Maintenance	TGHC % of relevant properties that have had a gas service in the last 12 months	Key Performance Indicator	99.78	100.00	99.67	↓		At the end of quarter one there were 56 outstanding services of the 17,122 required. Of the 56 services, 36 reached warrant stage, with 32 being completed in early July and the remaining 4 completed late July. There were a further 20 properties in which the services could not be completed due to the need for updated asbestos surveys. Of the 20, 19 were completed mid July with only one requiring a warrant for access. This property was successfully completed during August 2019.
HomeRepairs	TGHC % of emergency, urgent and routine repairs completed within timescale	Key Performance Indicator	86.00	94.00	89.75	↑		Of the 15,133 repairs, 13,582 were completed within target with an overall performance of 89.75%. The overall performance is made up of the following priorities. Emergency – 3,176 completed, 2,787 in target = 87.75%. Urgent – 4,879 completed, 4,266 in target = 87.44%. Routine - 7,078 completed, 6,529 in target = 92.24%. We are currently working to produce data analysis to allow us to evaluate the reasons for fails. We are in the process of developing a jobs in jeopardy report which will show us in real time which appointments are at risk if not dealt with allowing us to be more proactive. We will ensure further analysis of this indicator to better understand the reasons for fails. As part of this consideration will be given to separating out the gas repairs to highlight high risk areas.
Homelessness	TGHC Number of households prevented from becoming homeless (PG30)	Key Performance Indicator	316.00		215.00			2019/20 will form baseline data for future target setting. The Housing Act 1996 Part VII was amended in April 2018 by the Homelessness Reduction Act 2017 (HRA 2017). The HRA 2017 places duties on the local authority to assist all eligible households. This means that all households, whether they are in priority need or not, will be able to access assistance regarding both the prevention of and the resolution of homelessness. The Act requires a clear focus on prevention and early actions; strong referrals routes and joint working with other statutory agencies and all clients that are assessed are provided with a personal housing plan. It puts the prevention of homelessness on a statutory footing. The number households assessed under the Housing Act 1996, as amended by the Homeless Reduction Act 2017, was 519 households. Of those households 383 were owed a duty. Of the households owed a prevention and relief duty in the period the service prevented 215 households from becoming homeless. An annual update on Housing Options activity and performance was shared with Customers & Communities Committee on 1 July 2019.
Human Resources	TGHC % of employees ceasing employment (voluntary & involuntary)	Key Performance Indicator	7.17	1.50	1.87			During the quarter 15 employees left the organisation. Of the 15 employees leaving the organisation there were 14 voluntary leavers and 1 involuntary leaver. Of the 14 Voluntary leavers there were 9 resignations, 2 normal retirement and 3 early retirement One involuntary leaver left the organisation due to ill health capability This equates to 1.87% of the total workforce within the quarter. We continue to review our recruitment methods, employee offer and training and development opportunities to both attract and retain talent.
Human Resources	TGHC Employees satisfied with TGHC as an employer	Key Performance Indicator				X		During 2019/20 the company has implemented a revised employee appraisal and development process. The appraisal is intended to formulate a constructive discussion between managers and team members incorporating key areas which include performance, behaviours, training and development and service development and improvement. During the year employee satisfaction will be measured through short themed surveys culminating in an annual employee survey during quarter 4. Progress and outcomes will be reported to Resources Committee throughout the year.

			2018/19	Quarter 1 2019/20	Quarter 1 2019/20			
Service Area	Performance Indicator	Indicator Type	Year End Performance	Target	Actual	Trend Against Previous Result	Traffic Light	Comments
Human Resources	TGHC The number of working days lost due to sickness	Key Performance Indicator	16.94	4.00	4.34			<p>During the quarter the total sickness absence was 3349 days which equates to 4.34 days per FTE (full time equivalent). Short term absence is defined as a period of less than 15 working days in duration and long-term absence is defined as 15 days or more.</p> <p>Short term absence equated to 0.66 per FTE and long-term absence 3.68 per FTE.</p> <p>The main causes of absence were mental health 22%, Musculoskeletal 24% and Post Operation 14%. We will continue to monitor reasons for absence and review methods of early intervention to prevent and/or reduce periods of absence due to sickness.</p> <p>This will include a review of current processes, awareness raising of support/help available to employees and a programme of health/wellbeing campaigns.</p> <p>Progress and outcomes will be reported to Resources Committee throughout the year.</p>
Neighbourhood Services	TGHC % of tenancies terminated	Key Performance Indicator	8.26		1.92			<p>This indicator was introduced for 2018/19 and set as a baseline target. Data collected in 2018/19 highlighted that termination reasons used may need to be more descriptive to enhance data outputs and identify learning.</p> <p>A revised tenancy termination form has been developed in quarter 1 and will be utilised this financial year. As the method to collect and use of data may fluctuate during 2019/20, this target will remain as a baseline for 2019/20.</p> <p>Total number of tenancies terminated in quarter 1 was 367, as total number of 19,074 housing stock. The main termination reasons across the borough are:</p> <ul style="list-style-type: none"> •Medical Condition - 22% •Deceased – 18% •Move Closer to family/friends/work/school – 12% •Property Size - 11% •Dislike estate/property/street – 10% •Anti-social behaviour – 8% •Other – 20% <p>As in financial year 2018/19 the main two termination reasons still remain in quarter 1, as 'Deceased' and 'Medical Condition'.</p> <p>Analysis of termination reasons will be conducted during 2019/20 using the revised tenancy termination form.</p>
Rent and Income	TGHC % of rent collected	Key Performance Indicator	99.26	97.50	98.30	↓		<p>Rent collected from current tenants is ahead of target at the end of quarter 1 (at 98.30%), but down on the same period last year (98.65%) due to the increasing impact of Universal Credit.</p> <p>12 months ago there were 1,994 tenants in receipt of Universal Credit but this has now increased to 3,565 tenants. 1,413 of these have an Alternative Payment Arrangement (APA) in place, with a further 11 pending. 1,543 tenants have benefit reductions for under-occupation and 66 are affected by the benefit cap.</p> <p>There have been 18 evictions for rent arrears in quarter 1 (compared to 14 in the same period last year).</p>
Rent and Income	TGHC Rent arrears of current tenants as a percentage of the authority's rent roll	Key Performance Indicator	3.32	4.50	3.82	↓		<p>Current tenant rent arrears are within target at 3.82% and stand at £3,359,853 at the end of quarter 1. Due to the impact of Universal Credit, they have increased from £3,060,816 12 months ago.</p> <p>The 3,565 tenants currently receiving UC owe £2,046,074, which is 61% of the total arrears for all tenants. The 1,543 tenants affected by under occupation have much less of an impact and owe £163,782.</p> <p>Advice and support continues to be offered to all tenants who have a claim for Universal Credit and for any other tenant who requires assistance.</p>

			2018/19	Quarter 1 2019/20	Quarter 1 2019/20			
Service Area	Performance Indicator	Indicator Type	Year End Performance	Target	Actual	Trend Against Previous Result	Traffic Light	Comments
Rent and Income	TGHC Former tenant arrears as a percentage of rent owed	Key Performance Indicator	2.38	3.00	2.54	↓	🟢	Performance is within target at the end of quarter 1. Former tenant arrears stand at £2,240,137 compared to £1,878,845 for the same period last year. Cash collected stands at £64,310 while same period last year was £65,569. New debt created is £193,922, compared to £159,409 for last year.
Void Properties	TGHC Rent lost through Council houses being empty	Key Performance Indicator	3.40	2.75	3.82	↓	🔴	Addressing high levels of vacant properties is a priority & is included in the corporate risk register. An action plan is being implemented with a focus on sustaining an increase in the number of vacant properties being repaired & made ready to let. The trend from last year did continue into quarter 1, with the number of vacant properties increasing from 719 in April to 750 at end of June. The number is now starting to reduce, having reached a high of 757 in week 12 & reducing over the next 3 weeks to 750, 745 & 740 respectively. 51 properties are held at quarter-end pending a council-led consultation on the future of Crowhall Towers & Sir Godfrey Thomson Court in Felling town centre. Without these properties, rent loss is estimated to have been 3.58%. 244 vacant properties are Multi Storey flats. 86 of these in 4 blocks (Redheugh & Eslington Courts, Warwick Court, & a small number at Regent Court) are deferred for low demand & have not yet been identified for relet work as similar properties are already vacant & available for letting. This is a decrease since year-end 2018/19 when 91 properties were held. The void team has recently been restructured which included better links & closer working with the lettings team & Property & Assets. A long term plan is in place to reduce jobs issued to a more manageable level which will in turn reduce void rent loss. To ensure delivery and while we better understand the resource levels needed, sub-contractors will continue to be used. As part of the plan an end to end review is required which includes process, system, specification & categories. A Senior Overview Group has been established which will meet monthly to ensure the plan remains on target & progress is made.