



REPORT TO: COMMUNITIES COMMITTEE ON 18 AUGUST 2015

SUBJECT: HOUSING PERFORMANCE REPORT – QUARTERS 3, 4 AND ANNUAL FOR 2014/15

BY: CORPORATE DIRECTOR (ECONOMIC DEVELOPMENT, PLANNING AND INFRASTRUCTURE)

1. REASON FOR REPORT

- 1.1 The purpose of this report is to outline the performance of the Housing Service for the period from 1 October 2014 to 31 March 2015 and the annual performance for 2014/15.
- 1.2 The report is submitted to Committee in terms of Section III (G) (14) of the Council's Scheme of Administration relating to performance management for housing functions.

2. RECOMMENDATION

2.1 It is recommended that the Communities Committee:-

- (i) scrutinises performance outlined in this report;
- (ii) welcomes the good performance achieved and the areas for improvement; and
- (iii) considers and agrees the recommended target changes for 2015/16 noted in APPENDIX II.

3. BACKGROUND

- 3.1 On 23 April 2013, the Communities Committee approved a revised Performance Management Framework following the corporate review of performance management and following changes to performance reporting required by the Scottish Housing Regulator (paragraph 19 of the Minute refers).
- 3.2 On 22 May 2013, at a meeting of the Full Council, it was agreed that information relating to Performance Indicators be reported on a 6 monthly basis and that information be included in performance reports showing the direction of travel (whether performance is improving or deteriorating) (paragraph 8 of the Minute refers).

- 3.3 The performance achieved by the Service in Quarters 3 and 4 and annually for 2014/15 is presented in **APPENDIX I**. It should be noted that some indicators are qualitative and results are taken from customer feedback surveys. The Council continues to carry out regular satisfaction surveys of new tenants, people who use homelessness services and customers who have received services relating to repairs, neighbour disputes and antisocial behaviour.

4. **SUMMARY OF PERFORMANCE**

- 4.1 The table below sets out the Council's performance which is monitored through 46 indicators across 7 service activities. For 25 of these indicators performance against target, is reported to Committee on a six-monthly basis and are included in the Council's Annual Return on the Charter (ARC) to the Scottish Housing Regulator. The remaining 21 indicators are either reported against target on an annual basis or are contextual indicators included for information purposes only.

Outcomes/Standards	No. of Indicators	Green Performing Well	Amber Close monitoring	Red Action Required	Data or Annual Only
Customer/Landlord Relationship	7	1	0	0	6
Housing Quality and Maintenance	12	5	2	2	3
Neighbourhood and Community	4	0	0	2	2
Access to Housing and Support	11	3	1	2	5
Getting Good Value from Rents and Service Charges	7	3	1	2	1
Gypsy/Travellers	2	1	0	0	1
Building Services	3	1	0	1	1
Total	46 (100%)	14 (30%)	4 (9%)	9 (20%)	19 (41%)

4.2 **PERFORMANCE ANALYSIS – AREAS OF GOOD PERFORMANCE**

- 4.2.1 Performance in Quarters 3 and 4 of 2014/15 in relation to targets agreed for 2014/15 is good in a number of aspects of the service across each of the 7 activity areas.

The Customer/Landlord Relationship

- 4.2.2 Good performance in the handling of 1st stage complaints (*indicator 1.5a*) was maintained during Quarters 3 and 4 and annually for 2014/15, with 100% of

complaints responded to within the 5 working day timescale set by the Scottish Public Services Ombudsman (SPSO).

Housing Quality and Maintenance

- 4.2.3 At the end of 2014/15 all Council housing stock complied with the Scottish Housing Quality Standard (*indicator 2.1*) and National Home Energy Rating (*indicator 2.2*) with the exception of some properties which are removed from the calculation (220 exemptions and 99 abeyances). The investment in improving the quality of housing stock also meant that significant progress was made towards achieving the Moray Housing Standard (*indicator 2.5b*) which marginally exceeded the 65% target in 2014/15 at 66%. The target for the end of the 2015/16 financial year is 75%.
- 4.2.4 The SHQS has now been replaced by the Energy Efficiency Standard for Social Housing (EESH) and the Council will be required to report progress in achieving this standard by 2020 to the Scottish Housing Regulator on an annual basis. Officers are currently working on a strategy for achieving the EESH and this will be submitted to Committee for approval at a future date along with amended indicators (2.1 and 2.2) and proposed annual targets. It is intended to report performance on the numbers of properties meeting the EESH on a quarterly basis.
- 4.2.5 The Housing Service continues to perform well in the average time to complete response repairs. The average time to complete emergency repairs (*indicator 2.7*) was well within the Council's target time of 4 hours in Quarter 3 (2.53 hours), Quarter 4 (2.22 hours) and annually for 2014/15 (2.4 hours). The 20 working day target for non-emergency repairs (*indicator 2.8*) was achieved in both Quarter 3 (6.3 working days), Quarter 4 (7 working days) and annually for 2014/15 (7 working days). There is no change proposed to these targets for 2015/16.

Access to Housing and Support

- 4.2.6 The Council achieved the 100% target for households requiring temporary or emergency accommodation to whom an offer was made (*indicator 4.7*) throughout the whole of 2014/15.
- 4.2.7 Although survey response rates are low, satisfaction with the quality of temporary accommodation (*indicator 4.9*) for surveys returned is high. Those who were either very or fairly satisfied with the quality of their accommodation out-turned at 82.6% in Q3 and 100% in Q4. Service managers continue to review feedback and take action where necessary. As part of the Housing Service's commitment to service user involvement, work to improve response rates is ongoing but officers also gather qualitative customer feedback which can often produce more meaningful data and may not be reflected in survey results.
- 4.2.8 The Council operates three lists for housing applicants (housing waiting, homeless and transfer) and uses quotas to guide the number of allocations made to each list (*indicator 4.18*). Quotas are agreed annually and in 2014/15,

40% of allocations were to be made to those on the homeless list, 40% to the waiting list and 20% to housing transfers. Each list has a small permitted variation (+/-5%). In Q3, 44% of lets went to homeless list applicants, 36% to the waiting list and 20% to housing transfers. In Q4, 46% went to the homeless list, 36% to the waiting list and 18% to housing transfers. Annually the target was met with 42% of allocations to the homeless list, 37% to the waiting list and 20% to housing transfers.

Getting Good Value from Rents and Service Charges

4.2.9 The rent collected as a percentage of total rent due (*indicator 5.2*) measures the total amount of rent collected from both current and former tenants over the reporting period as a proportion of the total amount of rent due. The 95% target was exceeded in Quarter 3 (102.1%), Quarter 4 (100.7%) and the annual out-turn was 99.5%. This is viewed as excellent performance which will place the Council in the highest quartile in terms of this indicator.

4.2.10 The Housing Service achieved the 2.8% target for gross rent arrears as a percentage of rent due (*indicator 5.3*) in Q3 (2.8%) and was close to achieving target at the end of Q4 (2.9%). Annually this out-turned at 2.9% which again is viewed as excellent performance.

4.2.11 The 0.63% target was met for the percentage of rent lost due to voids (*indicator 5.4*) during Q3 (0.54%), Q4 (0.61%) and annually (0.61%). Performance on this indicator has improved in each of the last four financial years.

4.2.12 The current tenant arrears as a percentage of net rent due (*indicator 5.5*) indicator was close to meeting the 3.5% target in Q3 (3.6%) but exceeded it in Q4 (3.1%). The final out-turn for 2014/15 was 3.1% and can be largely attributed to a successful rent arrears policy and rent arrears action plan.

Gypsy/Travellers

4.2.13 The time taken to visit unauthorised encampments continued to meet target. Of the 5 unauthorised encampments (*indicator 6.2*) reported in Q3 and Q4, 100% were visited within the target timescale of 1 working day (or 2 working days for rural locations).

Building Services

4.2.14 The rate of overtime expenditure (*indicator 7.1*) has been consistently better than the 10.5% target at 9.6% in both Q3 and Q4. The introduction of new shift rotas continues to have a positive impact on maximising labour productivity and reducing overtime. It is proposed to look at all business areas including the current shift arrangements once the restructure leading from the Building Services Review has been fully implemented.

4.3 PERFORMANCE ANALYSIS – AREAS IDENTIFIED FOR IMPROVEMENT

The Customer/Landlord Relationship

- 4.3.1 Performance in responding to 2nd stage complaints (*indicator 1.5b*) within the 20 day timescale was slightly below the 100% target in Q3 (96%) and Q4 (93%). Annually performance was disappointing at 90.8% but this performance reflects the complexities in terms of dealing with some complaints particularly where they involve other teams within housing and property/other Council departments and even external partners/agencies.
- 4.3.2 Repairs and maintenance (52.7%) were the basis for most 2nd stage complaints with communication being the main reason for complaint. Changes to the DLO management team to be implemented during 2015/16 will seek to address this issue and improve customer service.

Housing Quality and Maintenance

- 4.3.3 The proportion of response repairs completed within target timescales (*indicator 2.9b*) is slightly below the 97% target in Q3 (93.3%) and Q4 (91.7%). There has also been a marginal decrease in annual performance (92.9%) but this is almost identical to performance achieved in 2013/14 (93.3%) and 2012/13 (92.6%).
- 4.3.4 The percentage of response repairs completed right first time (*indicator 2.11*) was 92.2% in Q3 and 86.8% in Q4. This is against the 94% annual target. A validation visit by Scottish Housing Benchmarking Value Network (SHBVN), (ahead of the ARC submission to the Scottish Housing Regulator) acknowledged that this was one of the most challenging indicators to record correctly and while the annual performance out-turned at 80.1% following the validation audit, officers now believe that this presents the Council with a more accurate level of performance. A number of improvements have been implemented from 1 April 2015 to ensure improved compliance with the right first time indicator and on the advice of SHBVN it is proposed to reduce the target to 87% for 2015/16 which would bring the Council more in line with the local authority national average.
- 4.3.5 The percentage of properties that require a gas safety record which had been serviced by the anniversary date (*indicator 2.13*) was close to the 100% target in Q3 (99.47%), Q4 (99.2%) and annually (99.2%). Close monitoring of gas safety performance is ongoing.

Neighbourhood and Community

- 4.3.6 Progress made towards the 26% target for refusal of tenancy offers (*indicator 3.2*) remains a target that is vulnerable to wide margins of fluctuation. The Council makes two offers of accommodation to all households on the housing list and these offers are dependent on the types of properties that become available for offer. In relation to homeless priority cases, officers often have to make offers based on what properties become available and it is not always possible to provide these households with their ideal choice and type of housing. In Q3

refusals out-turned at 19.4% and in Q4 at 31.2%. Performance in the last quarter was inflated by the number of offers withdrawn (9) and 23 applicants (mainly homeless households) who refused offers due to location.

- 4.3.7 The 95% target for resolving neighbour disputes and antisocial behaviour cases within 20 working days (*indicator 3.4*) was not met in Q3 (89.1%), Q4 (75.7%) or annually (88.8%). The 100% acknowledgement target (*indicator 3.5*) was met only for the most serious Category A cases. A change management plan is currently in the process of being implemented which will transfer the duty of dealing with antisocial behaviour to the Community Safety Team based in Development Services. As part of this transfer, officers are currently reviewing the Council's antisocial behaviour policy to ensure that it more accurately matches the descriptions of ASB as defined by the Scottish Housing Regulator. It is anticipated that once implemented, these changes will improve the Council's performance in this area.

Access to Housing and Support

- 4.3.8 The percentage of medical adaptations applications approved (*indicator 4.3*) fell to 54% in Q3, increased significantly to 82% in Q4 and annually out-turned at 87%. This is against the annual target of 95%.
- 4.3.9 The average time to complete medical adaptations (*indicator 4.4*) was 37 days in Q3 and 44 days in Q4. The annual performance was 41 days against an annual target set of 95 days. This target is a composite of both major and minor adaptations. Despite the reduction in overall time, there still is a problem achieving the target for major adaptations. Recommendations leading from the SHBVN validation visit have identified a number of areas where the Council can improve performance relating to adaptations. Officers in Housing and Property also completed a review of the major adaptations process during 2014/15 and it is intended that all of these recommendations (both SHBVN and those identified by officers) will be implemented during 2015/16 with the aim of improving performance.
- 4.3.10 The 4% target for refusals of offers of temporary accommodation (*indicator 4.8*) was not met in Q3 (14.1%) and Q4 (13.4%). A separate report on this Committee agenda relating to temporary accommodation considers the reasons behind these refusals and recommends some changes in order to begin reducing refusal rates. National comparisons would suggest that the current target is unrealistic and therefore it is proposed to change the target in 2015/16 to 7% to move this closer to the national average.

Getting Good Value from Rents and Service Charges

- 4.3.11 Performance for the average time taken to re-let empty properties (*indicator 5.6*) was above the 28 calendar day target in Q3 (35 days) and Q4 (34 days) and annually (35 days). Asbestos removals in void properties and other major works have added additional time to the voids process and this is likely to continue to affect future performance for the foreseeable future. Similarly, performance for the time to re-let within specific time bands (*indicator 5.7*) was poor as properties

re-let within 0-2 weeks was much lower than the 30% target in both Q3 (16%) and Q4 (10.2%). The SHBVN average performance for average days void in 2014/15 was 38 days. This measured the performance of 26 local authorities. The void performance for 2013/14 ARC for local authorities out-turned at 39 days. This would suggest that the Council's current target remains over ambitious and in light of the asbestos removal works which are ongoing, it is proposed to amend this target to 32 days which will still remain a challenge for the Council.

Building Services

- 4.3.12 Absences for craft and manual staff (*indicator 7.2*) was close to the 3% target in Q3 (3.3%) but increased in Q4 (5.5%) due to an increase in long term absences for manual staff. There was no change to the annual performance when compared to the previous year (4.3%). Absences are closely monitored and dealt with in accordance with the Council's Absence Management Policy.
- 4.3.13 The rate of return on investment (*indicator 7.3*) in 2014/15 out-turned at 2.6% against a target of 7.7%. Housing and Finance staff met to discuss this indicator and have concluded that the annual target bears no resemblance to the actual rate of return achieved by the DLO in recent years. The annual operating surplus determines the rate of return figure and for 2015/16 a surplus of 2.5% is currently projected. In line with this surplus, it is therefore proposed to amend the annual target for 2015/16 to 2.5%.

5. BENCHMARKING

- 5.1 National reporting for housing performance has changed to meet the requirements set out by the Scottish Housing Regulator (SHR). The revised statutory performance indicators endeavour to be more realistic and aim to ensure that benchmarks are measured in the same way across all councils and other social landlords. The SHR will publish the charter data for this year at the end of August 2015 and a further report on the Council's performance and any relevant comparisons, to this Committee in October 2015.
- 5.2 The Council continues to be a member of the SHBVN. This has 31 Scottish local authority members and 90 Registered Social Landlord members. In total the SHBVN membership accounts for around 85% of all social housing stock and provides valuable benchmarking comparisons in relation to key service areas and activities. The Council is also a member of the Society of Local Authority Chief Executives (SOLACE) which is the professional association of Senior Officers and Heads of Services in local authorities in Scotland. This group enables Councils to develop and promote best practice and innovation across housing and specialist sub-groups are established to examine particular areas when required.

6. PROPOSED TARGETS FOR 2015/16

- 6.1 **APPENDIX II** provides details of the targets set for 2014/15 and any proposed changes for 2015/16. The rationale for amending agreed targets is contained within the body of this report.

7. SUMMARY OF IMPLICATIONS

(a) Moray 2023 A Plan for the Future/Service Plan

The monitoring and management of performance assists the Council to continue to improve its housing services. It also helps to manage its assets more effectively to provide the best outcomes for tenants and other customers and promotes safer communities and adults living healthier, sustainable independent lives safeguarded from harm which meets the key objectives of the Moray 2023 plan, the corporate plan and the housing and property service plan.

(b) Policy and Legal

Reporting on Scottish Social Housing Charter performance indicators is a legal requirement under the Housing (Scotland) Act 2010.

(c) Financial Implications

There are no financial implications arising directly from this report.

(d) Risk Implications

There are no risk implications arising directly from this report.

(e) Staffing Implications

There are no staffing implications arising directly from this report.

(f) Property

There are no property requirements/implications arising directly from this report.

(g) Equalities

An Equalities Impact Assessment is not required as the report is to inform the Committee on performance. There are no equalities implications arising directly from this report.

(h) Consultations

Consultation on this report has been carried out with the Head of Housing and Property and managers within Housing and Property, whose comments have been incorporated in this report.

8. CONCLUSION

- 8.1 **This report provides an analysis of key areas of performance in relation to the Council's role as a landlord. Performance in relation to Q3, Q4 and for the year is set out for this Committee to consider. Areas for improvement**

have been identified and where relevant targets for 2015/16 have been revised to more accurately reflect performance.

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Background Papers: Held by the authors

Ref: