



REPORT TO: COMMUNITIES COMMITTEE ON 21 JUNE 2016

SUBJECT: HOUSING PERFORMANCE REPORT – QUARTERS 3, 4 AND ANNUALLY FOR 2015/16

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 2015 to 31 March 2016 and the annual performance for 2015/16.
- 1.2 The report is submitted to Committee in terms of Section III (F) (15) 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 notes the areas for improvement;**
- (iii) considers whether the Housing Service should reduce the amount of indicators as set out in section 4.2; and**
- (iv) agrees the recommended target changes for 2016/17 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 2015/16 is presented in **APPENDIX I**. The results for some indicators are taken from satisfaction surveys which gather feedback from a range of customers including new tenants and homeless households. Other indicators are taken from the 2015 survey which was issued to all Council tenants. More detailed analysis of the survey results and areas identified for improvement is provided in a separate report on this Committee's agenda.

4. SUMMARY OF PERFORMANCE

- 4.1 The table below sets out the Council's performance which is monitored through 71 indicators across 7 service activities. For 45 of these indicators performance against target is reported to Committee on a six-monthly basis. The remaining indicators are either reported against target on an annual basis or are contextual indicators included for information only.

Outcomes/Standards	No. of Indicators	Green Performing Well	Amber Close monitoring	Red Action Required	Data or Annual Only
Customer/Landlord Relationship	8			3	5
Housing Quality and Maintenance	20	4	5	6	5
Neighbourhood and Community	4			2	2
Access to Housing and Support	15	4	3	3	5
Getting Good Value from Rents and Service Charges	16	6		4	6
Gypsy/Travellers	2	1			1
Building Services	6	2	1	1	2
Total	71 (100%)	17 (24%)	9 (13%)	19 (27%)	26 (37%)

- 4.2 The Housing Service performance report contains 137 indicators (including sub-indicators), some of which are submitted as part of the Annual Return on the Charter. Members are asked to consider whether the number of indicators that are currently reported to this Committee should be reduced, particularly those relevant only to operational detail. Officers will continue to monitor all areas of the service and continue to inform this Committee of any corrective actions taken.

4.3 PERFORMANCE ANALYSIS – AREAS OF GOOD PERFORMANCE

- 4.3.1 Performance against target in Quarters 3 and 4 of 2015/16 is good in a number of areas across each of the 7 service themes.

Housing Quality and Maintenance

- 4.3.2 The Council's housing stock complies 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 (174 exemptions and 72 abeyances). Good progress was also made towards achieving the Moray Housing Standard (*indicator 2.5b*) which met the target at 75.76%. The proposed target for properties meeting the Moray Housing Standard for 2016/17 is 85%.
- 4.3.3 Elements of the SHQS relating to the energy efficiency of properties have now been replaced by the Energy Efficiency Standard for Social Housing (EESH). Progress towards achieving this standard by 2020 forms part of the Annual Return on the Charter to the Scottish Housing Regulator. Our strategy for achieving the EESH was submitted to Committee on 8 December 2016 (paragraph 10 of the Minute refers) and monitoring against an annual target will be submitted to Committee on a six monthly basis. It is recommended that a new indicator for properties achieving EESH compliance be added to the performance report. The proposed 2016/17 target for this indicator is 66%.
- 4.3.4 Good performance continues for the average time to complete response repairs. The average time to complete emergency repairs (*indicator 2.7*) was within the Council's target time of 4 hours in Q3 (2.85 hours), Q4 (2.5 hours) and annually for 2015/16 (2.46 hours). The 20 working day target for non-emergency repairs (*indicator 2.8*) was achieved in both Quarter 3 (6.13 working days), Quarter 4 (6.15 working days) and annually for 2015/16 (6.15 working days). A review of the 20 day target will be taken forward by the DLO management team in 2016/17 as performance would suggest that either the target needs to change or alternatively, the DLO is using too much resources to complete these repairs within the timescale achieved.

Access to Housing and Support

- 4.3.5 The 100% target for households requiring temporary or emergency accommodation to whom an offer was made (*indicator 4.7*) was achieved throughout 2015/16.
- 4.3.6 Satisfaction with the quality of temporary accommodation (*indicator 4.9*) remains high although work continues to improve the low response rate. The percentage of homeless households who were satisfied with the quality of their accommodation was 85.7% in Q3 and 100% in Q4 against a target of 90%. The annual result was 94.4% which is similar to the previous year. Service managers regularly review feedback and implement improvement actions where necessary.
- 4.3.7 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 set annually and in 2015/16, 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 of +/- 5%. In Q3, 36.2% of lets went to homeless list applicants, 41.4% to the waiting list and 22.4% to housing transfers. In Q4, 32.6% went to the homeless list, 47% to the waiting list and 20.4% to housing transfers. Annually the target was met with 39.4% of allocations to the homeless list, 40.2% to the waiting list and 20.5% to housing transfers.

Getting Good Value from Rents and Service Charges

- 4.3.8 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 (108.8%), Quarter 4 (108.9%) and the annual out-turn was 108.9%. Compared with historical national performance figures this is likely to present the Council as one of the top performing local authorities for this indicator.
- 4.3.9 The 2.8% target for gross rent arrears as a percentage of rent due (*indicator 5.3*) was achieved in Q3 (2.6%), Q4 (2.4%) and annually (2.4%). It is expected that when the national statistics are released in August 2016, the Council's position as a top performing local authority will be maintained. The restructure of housing management in October 2015 has had a positive impact on rent arrears although the rollout of Universal Credit from November 2015 continues to present a major challenge for the Housing Service.
- 4.3.10 The 0.63% target was met for the percentage of rent lost due to voids (*indicator 5.4*) during Q3 (0.57%), Q4 (0.54%) and annually (0.56%). Performance on this indicator has improved in each of the last five financial years.
- 4.3.11 There is also strong performance in current tenant arrears as a percentage of net rent due (*indicator 5.5*) which met the 3.5% target in Q3 (3.5%) and exceeded it in Q4 resulting in a year end figure of 2.8%. Performance in this area has improved in each of the last four reporting years.
- 4.3.12 Performance for the average time taken to re-let empty properties (*indicator 5.6*) was close to the 32 calendar day target in Q3 (34 days). The target was met in Q4 (32 days) and there is a marked improvement on the annual result (29 days) which will position the Council well in terms of national comparison. However the performance for the time to re-let within specific time bands (*indicator 5.7*) did not meet target, mainly due to lower performance within the 0-2 weeks category in Q3 (8%) and Q4 (15.2%). This is an operational indicator and given that the average re-let target proposed for 2016/17 is 32 days, it is a meaningless indicator given the average work content now taking place in most void properties. It is recommended that this will be one of the indicators to be removed from future performance monitoring reports.

Gypsy/Travellers

- 4.3.13 The time to visit new unauthorised encampments (*indicator 6.2*) continued to meet target. All of the 45 unauthorised encampments reported in 2015/16 were attended within the target timescale of 1 working day (or 2 working days for rural locations).

Building Services

- 4.3.14 The level of sub-contractor expenditure against overall expenditure (*indicator 7.4*) met the 10% target in Q3 (7.79%) and Q4 (8.96%). The annual performance also achieved the target at 8.96%. The target proposed for sub-contractors (*indicator 7.4*) for 2016/17 has reduced to 6.75% which reflects the proposed changes to the Building Services Budget which is reported separately on this Committee agenda. This report also sets out the rationale for changes to the targets for the rate of return on investment (*indicator 7.3*).
- 4.3.15 There were no reportable health and safety incidents (*indicator 7.5*) in both Q3 and Q4. The target of no more than 4 incidents during 2015/16 was also achieved. The Housing Service is committed to promoting the importance of health and safety and therefore proposes a more challenging target of 2 incidents for 2016/17.

4.4 PERFORMANCE ANALYSIS – AREAS IDENTIFIED FOR IMPROVEMENT**The Customer/Landlord Relationship**

- 4.4.1 Performance in responding to 1st stage complaints (*indicator 1.5a*) within the Scottish Public Services Ombudsman (SPSO) target of 5 working days is below the 100% target in Q3 (94.1%) and Q4 (91.4%). This affected the overall annual performance which out-turned at 94.4%. Similarly, performance in responding to 2nd stage complaints (*indicator 1.5b*) within the 20 day SPSO timescale did not achieve the 100% target in Q3 (63.2%), Q4 (75%) and annually (57.4%). The absence of key staff within Building Services resulted in a decline in performance which is expected to improve following the full implementation of the revised DLO staffing structure.
- 4.4.2 Repairs and maintenance continue to be the basis for most complaints (57%). To address this, a number of working groups have been established within the DLO to consider a range of improvement actions in relation to customer complaints and the findings from the tenant survey 2015. The remit of these working groups will consider how tenants access the repairs service, how appointments are arranged, how we communicate, how we deal with customer feedback and how we get the best from our ICT systems.
- 4.4.3 Performance on responding to MSP complaints (*indicator 1.7b*) did not meet the 100% target in Q3 (50%), Q4 (54.6%) or for 2015/16 (60.3%). Most of the enquiries received in 2015/16 related to housing applications and allocations. The process for drafting responses has been changed in order to improve response times and it is expected that this will have a positive impact on performance during 2016/17.

Housing Quality and Maintenance

- 4.4.4 The percentage of tenants satisfied with the standard of their home when moving in (*indicator 2.3*) is below the 90% target in Q3 (89.7%) and Q4 (81.5%). The annual result is similar to the previous year at 81.5%. During the reporting year, only a small number of tenants (14) were very or fairly dissatisfied. Of those, 6 provided comments with most referring to issues with property condition, the standard of decoration and outstanding repairs.
- 4.4.5 The proportion of response repairs completed within target timescales (*indicator 2.9b*) was slightly below the 97% target in Q3 (93.2%) and Q4 (92.7%) but this reflects the additional pressure on the service during the peak winter period. However, there has been improvement in the overall annual performance (94.1%) which was the best performance achieved for this indicator in the past four reporting years.
- 4.4.6 The percentage of response repairs completed right first time (*indicator 2.11*) was 87.4% in Q3 and 85% in Q4. This is a cumulative indicator which was close to achieving the 87% annual target. It is recognised by social landlords that this indicator is particularly difficult to calculate. The Housing Service is aware that it is understating its performance in this area although the current method of calculation remains the most robust option at this time. Officers will consider whether further improvements can be made to the calculation in 2016/17. The proposed target for 2016/17 is 90% which is closer to the national average for all social landlords.
- 4.4.7 The percentage of repairs appointments kept was below the 100% target in Q3 (93.3%) and Q4 (92.6%). The annual performance was 94% which is an improvement on the previous year at 91.8%. The use of Opti-time is one area that the DLO working groups will progress in 2016/17. It is recognised that the current target is unrealistic and it is proposed that this target be reduced to 95% which is slightly higher than the national average for all social landlords.
- 4.4.8 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 (99.85%), Q4 (99.98%) and annually (99.98%). There was one single gas servicing failure in 2015/16. This was due to human error involving a tradesman which led to the anniversary of the service being exceeded by 5 days. Further measures have been put in place to prevent this from recurring.
- 4.4.9 The percentage of service records kept to Gas Safe Register standards (*indicator 2.19*) did not achieve the 100% target in Q3 (60%) and Q4 (76.9%). Lower performance in the first half of the year has been addressed through regular internal audits, training and a reduction in the use of external sub-contractors. The annual performance (45%) is one area that will be targeted for improvement in 2016/17. It is proposed that the target for carrying out services to Gas Safe Register standards (*indicator 2.20*) be increased to 100% to bring it in line with this indicator.

Neighbourhood and Community

- 4.4.10 Progress made towards the 26% target for refusal of tenancy offers (*indicator 3.2*) remains vulnerable to a wide margin of fluctuation. The Council makes two reasonable offers of accommodation to applicants on the housing list and these are driven by what property becomes available and these don't always meet the desired aspirations of some applicants. In Q3 refusals out turned at 38.2% and in Q4 at 33.1%. Performance in the last quarter was inflated by the number of offers withdrawn (10) and 16 applicants (mainly homeless households) who refused an offer due to location. The annual performance was 29.5% which is significantly better than the national average. The target proposed for 2016/17 is 30% which is still challenging but will be more in line with other social landlords. The revised target is still much lower than the national average for social landlords.
- 4.4.11 The 95% target for resolving neighbour disputes and antisocial behaviour cases within 20 working days (*indicator 3.4*) was not met in Q3 (80.6%), Q4 (64%) or annually (85.8%). The 100% acknowledgement target (*indicator 3.5*) was met only for the most serious Category A cases. Antisocial behaviour was transferred to the Community Safety Team in October 2015. While the transition period contributed towards the lower performance, the multi-disciplinary resolution approach is producing better outcomes. It is proposed to review the timescales within the policy in 2016/17 to reflect the new ways of working.

Access to Housing and Support

- 4.4.12 The percentage of medical adaptations applications approved (*indicator 4.3*) fell to 60% in Q3 and 47% in Q4 and annually out-turned at 76%. This is against the annual target of 95%. It is recommended that this is changed to a data only indicator as indicator 4.4 is a better measure of success for medical adaptations.
- 4.4.13 The average time to complete medical adaptations (*indicator 4.4*) was 37 days in Q3 and 36 days in Q4. The annual performance was 36 days against an annual target set of 95 days. This target is a composite of both major and minor adaptations. The annual performance on major adaptations of 158 days was much better than the 2014/15 outturn of 173 days but further improvement is still required. A review of current processes will be completed by a temporary Project Officer funded from the Integrated Care Fund in 2016/17 and any proposed changes will be reported back to this Committee. For 2016/17, it is proposed to reduce the target to 80 days.
- 4.4.14 The 7% target for refusals of offers of temporary accommodation (*indicator 4.8*) was not met in Q3 (12.1%) and Q4 (14%). The annual performance was 14.3% which was an improvement on the previous year. Most of the 114 refusals in the reporting year related to the privately run hostel accommodation (62.3%) and the Housing Service is reducing its reliance on the hostel in recognition of this. The main reason for refusal is location (22.8%) but this indicator also classes those who fail to turn up at the accommodation (36%) as a refusal.

Building Services

- 4.4.15 Absences for craft and manual staff (*indicator 7.2*) did not meet the 3% target in Q3 (6.3%), Q4 (7.1%) or for the reporting year (7.4%). The poor performance can be attributed to a number of long term absences that occurred throughout the year, the majority of which are now back at work. It is proposed that the target for 2016/17 is increased to 4.5% which would be more representative of the Council's average absence rate.

5. BENCHMARKING

- 5.1 National reporting for housing performance has changed to meet the requirements set out by the Scottish Housing Regulator (SHR). A review of the Charter outcomes is being carried out through a series of events throughout Scotland. This may result in a need to make additional changes to the reporting framework in order to meet statutory requirements.
- 5.2 The Council's Annual Return on the Charter was submitted on 20 May 2016 and the national data will be published by the Scottish Housing Regulator on 31 August 2016. Due to the timescales involved in producing the annual report to tenants and other customers, it will not be feasible to present the report to Committee ahead of publication so it is proposed that a members briefing takes place ahead of the annual report being sent out to tenants and other customers.
- 5.3 The Council is a member of Scotland's Housing Network (SHN). This has 31 Scottish local authority members and 92 Registered Social Landlord members. In total the SHN membership accounts for around 87% of all social housing stock and provides valuable benchmarking comparisons in relation to key service areas and activities. The Council has also been working closely with the SHN to validate the data for the Annual Return on the Charter. A number of improvements have been implemented on the advice of the validator to ensure that data reported is as reliable as possible.
- 5.4 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 2016/17

- 6.1 **APPENDIX II** provides details of the targets set for 2015/16 and any proposed changes for 2016/17. The rationale for amending agreed targets is contained within the body of this report.
- 6.2 The proposed amendments to tenant satisfaction survey targets are based on national averages with the exception of rent representing good value for money (*indicator 5.1*). The Council is one of the top performers in this area and it is therefore proposed that the target be changed to 84% which would maintain the strong performance.

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

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 senior managers within Housing and Property including the Asset Manager, the Building Services Manager, the Housing Services Manager and the Housing Strategy and Development Manager, 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 2016/17 have been revised to more accurately reflect performance.**

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Background Papers: Held by the authors
Ref: