



London Borough of Hammersmith & Fulham

# HOUSING, HEALTH & ADULT SOCIAL CARE SELECT COMMITTEE

<b>DATE</b>	<b>TITLE</b>	<b>Wards</b>
14 November 2012	Housing and Regeneration Department Key Performance Indicators.	All

## **SYNOPSIS**

This report presents performance on key housing indicators.

## **CONTRIBUTORS**

Kathleen Corbett  
Director, Finance and  
Resources, Housing  
and Regeneration  
Department

## **RECOMMENDATION(S):**

The Select Committee is asked to note the contents of the report.

## **CONTACT**

Kathleen Corbett

## 1. EXECUTIVE SUMMARY

- 1.1 Performance overall is good with 22 (23 if the timing difference is allowed for on rent collection) of the 24 targets being met or within tolerance. Performance has improved or is static in 12 targets (13 if the timing difference is allowed for on rent collection) when compared to the 2011/12 year end position (or the position this time last year in the cases of cumulative indicators or the trend for the year for new indicators). All figures reported are for the period ending August 2012.
- 1.2 Detailed remedial action plans are in place to address all indicators that are outside tolerance i.e. are Red.

## 2. INTRODUCTION

- 2.1 The purpose of this report is to present the performance of the Housing and Regeneration Department against target for the department's key performance indicators.
- 2.2 The report details the areas where performance is behind target, the factors affecting performance and the management action being taken to remedy the under-performance.

## 3. PERFORMANCE

### Key

Green	Target met
Amber	Within tolerance
Red	Outside tolerance

### 3.1 Financial Management

#### 3.1.1 Performance

Indicator	Phased Target to 31 August 2012	YTD	2011/12 <sup>1</sup>	Trend
% of rent collected (excluding current arrears)	100%	98.41%	98.83%	not improving <sup>2</sup>
Current tenant rent arrears as a % of rent	3.5%	3.85%	3.77%	not improving <sup>3</sup>

<sup>1</sup> As at 31<sup>st</sup> March 2012, expected for targets where phasing throughout the year is appropriate

<sup>2</sup> Due to the timing of month end, the collection rate adjusted for Direct Debit run on the following Monday would be 99.07%, making this target Amber with an improving trend

<sup>3</sup> Again due to the timing of the Direct Debit run.

due (excluding voids)				
Former tenant arrears as a % of rent due (excluding voids)	1.0%	1.17%	0.98%	not improving
Rent loss due to voids as a % of rent due	2.01%	2.22%	2.18%	not improving
Service Charges collected as a % of service charges due	53.3%	53.3%	51.1%	improving
Income from expensive void disposal (£m)	£10.8m	£14.4m	£11.6m	improving
Ave number of working days lost due to sickness absence	9.5 days	9.47 days	10.3 days	improving

### 3.1.2 Factors affecting performance

The proportion of rent collected dropped considerably in August, primarily due to direct debit payments not having been collected at the time the collection rate figures were calculated. This is only a timing issue, the last week in the month for the calculation of collection rates is always taken as the one starting on the last Monday of the month; normally this means that the Direct Debit payments taken at the start of the following month are included in the collection figures. However for August 2012 the last week in the month ended on Sunday 2<sup>nd</sup> Sept 2012. This meant that the first Direct Debit run for September is not included in the figures as it was not run until Monday 3<sup>rd</sup> Sept 2012. This was for £198,770 and if the percentage collection rate is adjusted for this it becomes 99.07% for the year to date. This also impacted on rent arrears.

Former tenant arrears are up marginally compared to year end due to the number of evictions of tenants with large arrears, and rent loss due to voids is over target due to the higher than normal number of hard to let properties in the last few months i.e. ones which are repeatedly refused, the issue has mainly been due to properties used for sheltered housing. As noted in the last report to Committee investigations have also identified a number of areas where processes and performance could be improved across all areas of void management and an action plan has been put in place to improve processes along with firm performance management. In addition Internal Audit is currently undertaking a detail review of processes. The action plan is starting to yield results with the percentage for the rent loss due to voids as a percentage of rent due having fallen from 2.27% in July to 2.22% in August.

## 3.2 Property Management

### 3.2.1 Performance

Indicator	Phased Target to 31 August 2012	YTD	2011/12	Trend
% of all repairs completed on time	98%	94.5%	93.2%	improving
% of properties with a valid gas certificate	100%	99.72%	99.70%	improving
% of units available for letting but vacant	0.4%	0.19%	n/a	improving
% of units unavailable for letting and vacant due Regeneration	1.10%	1.06%	n/a	static
% of units unavailable for letting and vacant due to other reasons e.g. held for disposal, management voids not ready for letting	1.08%	1.06%	n/a	improving
Number of days taken to re-let empty properties	26 days	29.2 days	28.4 days	not improving

### 3.2.2 Factors affecting performance

Repairs completed on time have improved this year, as reflected in increased customer satisfaction (see Quality Assurance below), however, there was a dip in performance in July and August for the South contractor (Performance in June 2012 was 97.2%). This was due to under resourcing by one contractor. This has now been, the contractor has taken on additional staff and has introduced new processes to prevent a reoccurrence in the future, however this has yet to feed through into improved performance.

Gas compliance is consistent with the end of the year. The Gas Servicing Team are taking all practical actions (early morning and evening and Saturday appointments, early evening telephone call to the residents, progressing legal documents quickly and liaison officers leaving no access cards at the property) in order to gain access to all properties to execute the annual gas safety checks and thus produce a Landlord Gas Safety Record (LGSR).

Void turnover is worse than the target. The main cause of this is the large number of refusals on some properties, there have been a higher than normal number of hard to let properties in the last few months i.e. ones which are repeatedly refused, the issue has mainly been due to properties used for sheltered housing. As noted in the previous report investigations have also identified a number of areas where processes

and performance could be improved across all areas of void management and an action plan has been put in place to improve processes along with firm performance management. In addition Internal Audit is currently undertaking a detail review of processes. The action plan is starting to yield results with the number of days taken to re-let empty properties having fallen from 37.9 days in July to 29.2 days in August.

### 3.3 Communities

#### 3.3.1 Performance

Indicator	Target	YTD	2011/12	Trend
Number of homeless acceptances	115	119	69	not improving
Number of homeless households in temporary accommodation	1200	1089	1025	not improving
Families in bed and breakfast for over 6 weeks	0	49	16	not improving
Right to Buy/TIS	0	2	3	not improving
Number of HomeBuy sales in new development	18	12	n/a	not improving
% of lettings to working households	25%	20.9%	n/a	improving

#### 3.3.2 Factors affecting performance

The increase in the number of homeless acceptances and the use of Bed and Breakfast is a reflection of a trend being seen across London. This is due to the impact of the buoyancy of the private rented market on those households on low or modest incomes, compounded by the uncertainty for landlords arising from the introduction of HB caps and plans for reform of welfare benefits and temporary accommodation subsidy. In these circumstances it is proving difficult to secure alternative private rented accommodation resulting in more use of B&B and an increase in the number of families in B&B.

In response to this officers are continuing to:

- negotiate with landlords and hosts at first point of contact;
- utilise discretionary housing payments (HB) to assist applicants to remain in their existing accommodation;
- assist applicants to find their own alternative accommodation, using the rent deposit guarantee scheme; and,
- provide incentives to private sector landlords.

- explore new sources of private sector accommodation, including procurement through a revision to the West London Housing Partnership Framework.

As new properties are procured every effort is made to move families out of B&B.

In addition, and as a direct response to the increase in the use of B&B, Cabinet will, on 12 November 2012, consider a proposal to

- put in place a further package of incentives to secure more accommodation from private landlords;
- expand the scope of the successful HB Assist project to include categories of residents affected by changes in Housing and Welfare Benefits.

There have only been 2 RTB or TIS sales to date this year. This is due to the timing of the increase in RTB discounts which means completions will be concentrated towards the end of the year. 284 applications were being progressed at the end of August compared to the 22 being progressed at the end August 2011. Once the increase in applications start coming through (from around November), the number of completions will increase.

Home Buy sales failed to meet the target in August due to a scheme slipping. This should be caught up next month and is expected to be on target for year end.

The % of lettings to working households continues to increase but is below target. Forthcoming issues of Locata (choice based lettings scheme) will stipulate that 25% of lettings will be to working households. Additionally for the second half of the year the Council's new Scheme of Allocation will be in force and this will further increase the proportion of working households accommodated.

### 3.4 Quality Assurance

#### 3.4.1 Performance

Indicator	Target	YTD	2011/12	Trend
% very or fairly satisfied with repairs and maintenance	75%	85.4%	82%	improving
% high risk priority work started in Fire Risk Assessments	25%	24%	n/a	not improving
% of Stage 1 complaints upheld	60%	48.9%	n/a	static
Average time to answer inbound telephony calls at the	18 sec	21 sec	n/a	improving

Customer Service Centre (seconds)				
% of correspondence answered within 10 days	80%	84%	88%	not improving

### 3.4.2 Factors affecting performance

Performance for % of high risk priority work started for Fire Risk Assessments has been affected by delays in a new procurement route being used to drive costs down through the London Housing Consortium.

The average time to answer inbound calls is on an improving trend. It is above target due to poorer performance earlier in the year as a result of: a higher volume of calls than expected in May (25% increase from the same period in the previous year); inclement weather and a vacancy in the Customer Services Management Team which is now filled.

## 4. RECOMMENDATIONS

- 4.1 The Select Committee are asked to note the contents of the report.

### **LOCAL GOVERNMENT ACT 2000** **LIST OF BACKGROUND PAPERS**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Housing and Regeneration Department scorecard	Kathleen Corbett Ext 3031	Housing and Regeneration Department, 3 <sup>rd</sup> Floor Town Hall Extension, King Street