



## Board of Trustees 7 August 2017

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### Performance monitoring report

**April 2017 – June 2017, quarter one 2017-2018 Report by**  
Managing Director, Leazes Homes

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#### For discussion

#### 1. Background information

- 1.1 Your Homes Newcastle (YHN) supplies performance information to the Leazes Homes Board on a quarterly basis, as set out in the agreement for YHN to provide housing management services to Leazes Homes' tenants.

In June 2017, the Board agreed the targets for 2017-18, listed below.

Indicator	Target
Average re-let period (excluding supported housing schemes)	25 days
Average time taken to complete repairs	5 days
Average length of time taken to investigate a case of anti-social behaviour	30 days
Rent and service charge arrears on current tenancies	£80,000
Average level of arrears per property to be below £129 at the end of the 2016-17 financial year.	£129
Properties have a valid Gas Safety Certificate	100%

1.2 Performance information for the following indicators is also provided:

- The average number of days taken to re-let void properties (including supported housing schemes)
- Void rent loss
- Number of complaints received
- Former tenants' rent arrears
- Arrears by band
- Universal Credit
- Aged arrears (This relates to accounts in arrears of four weeks gross rent or more).

1.3 This performance monitoring report covers cumulative performance for the year from April to June 2017 and highlights any specific issues that have impacted during the period. It demonstrates how YHN is performing against Leazes Homes' key performance indicators (KPIs).

The performance monitoring report includes the following:

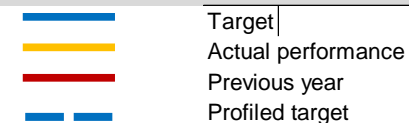
- Six tiles to report against agreed performance targets and seven tiles of indicators reported for information. Additional information is provided in two tiles, including further information on UC arrears cases and information on arrears cases owing greater than £1000, requested at the June board meeting, (section two).
- Further information relating to those KPIs in the performance summary report where performance is below target (section three)
- An update on welfare reform and its impact on rent arrears (section four)

## 2. Performance summary report for quarter one 2017-18

Stock  
560

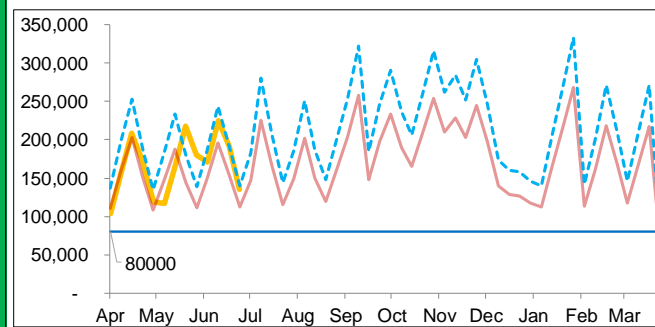
Tenancies  
545

### Key



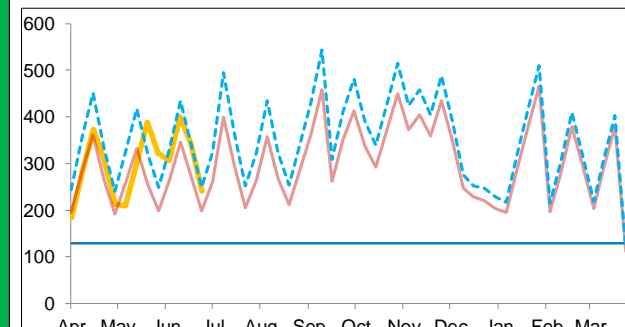
### 1. Rent arrears (target)

Arrears are £135k. While above the £80k year end target, this is £4.5k below the profiled target, which means performance is on track to achieve the year end target.



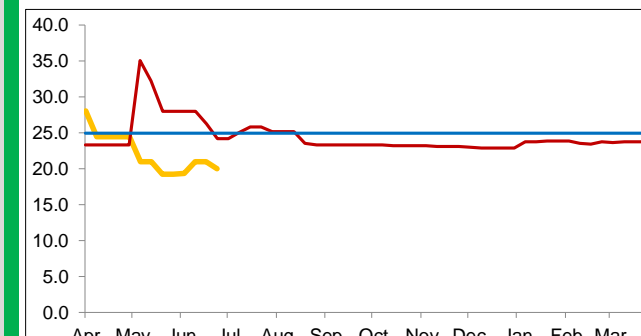
### 2. Average arrears per property (target)

Average arrears are currently £241 per property. As total arrears are below the profiled target, we expect the average target to be achieved. The graph below includes a profiled target line to illustrate this.



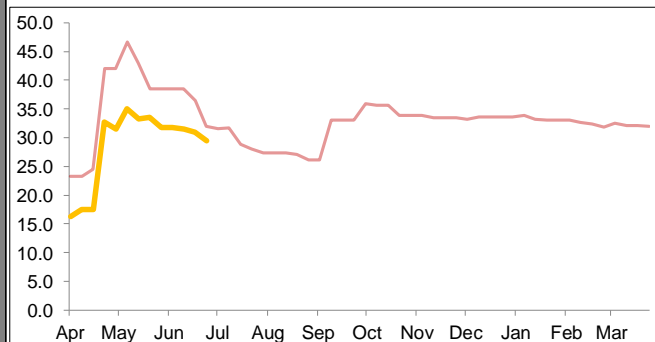
### 3. Average re-let period, excluding supported (target)

Seven standard voids were relet during the first quarter. These voids were relet in 20.0 days, on average. This is a new target for 2017-2018, which excludes those standard voids in supported accommodation, where the tenent is identified by a panel. The relet time including these properties is reported in tile four.



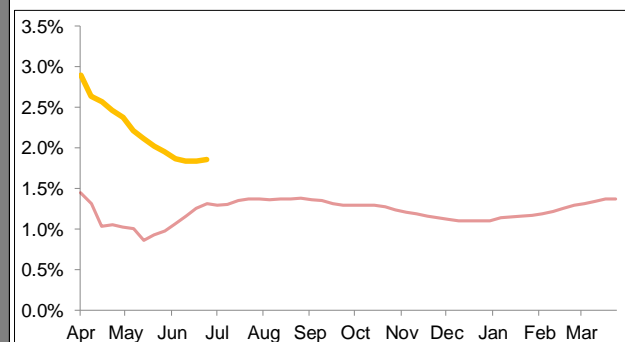
### 4. Average re-let period, including supported (indicator)

Nineteen standard voids were relet during quarter one, including twelve in supported schemes, where the tenant is identified by a panel. The average relet time is lower than at this point in the previous year.



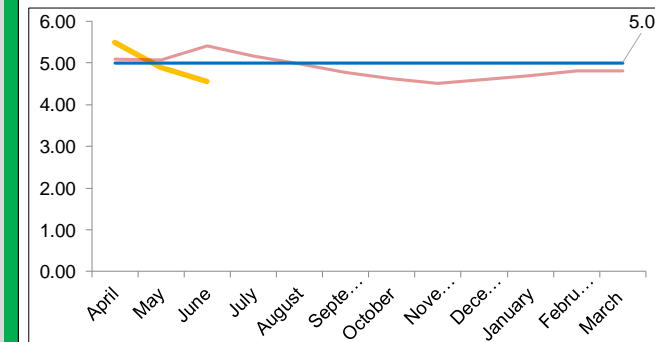
### 5. Void rent loss (indicator)

Void rent loss is 1.85% at the end of quarter one. Void rent loss reduced during the quarter, but is 0.5% higher than at this point in the previous year. Additional detail is provided in section 3 of this report.



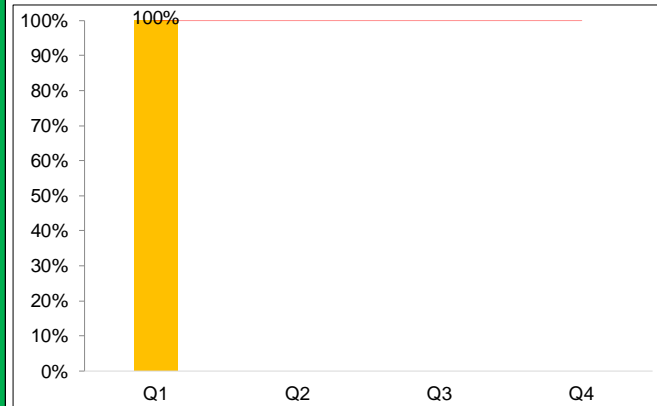
### 6. Average time taken to complete repairs (target)

The average time to complete repairs is 4.6 days, during quarter one, achieving the target.



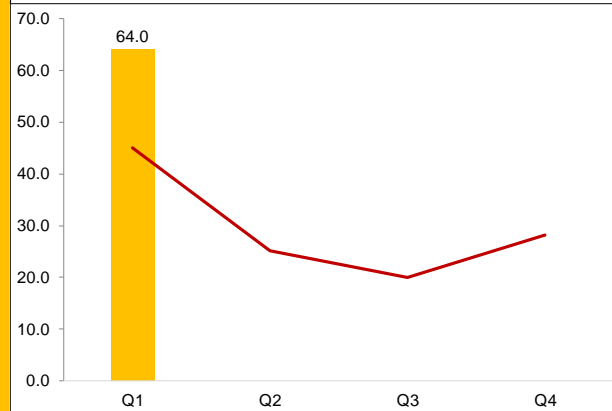
### 7. Gas safety (target)

100% of properties have a valid Gas Safety Certificate, achieving the target.



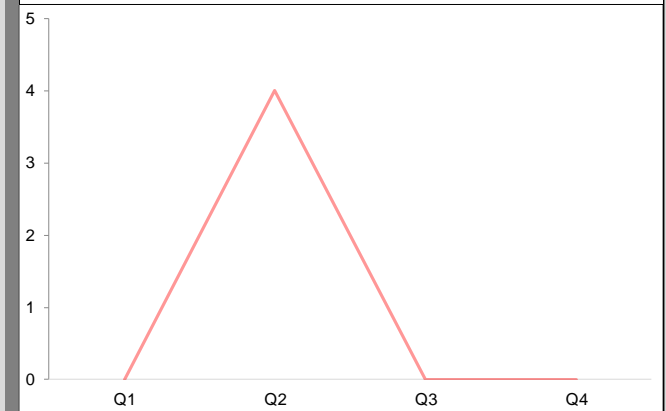
### 8. Anti-social behaviour (target)

Two cases were investigated during the period, which took 64 days, on average, to resolve. Additional detail is provided in section three.



### 9. Complaints (indicator)

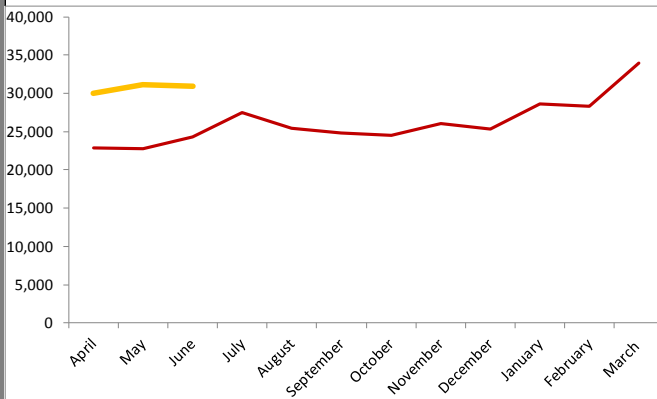
No complaints were received during quarter one.



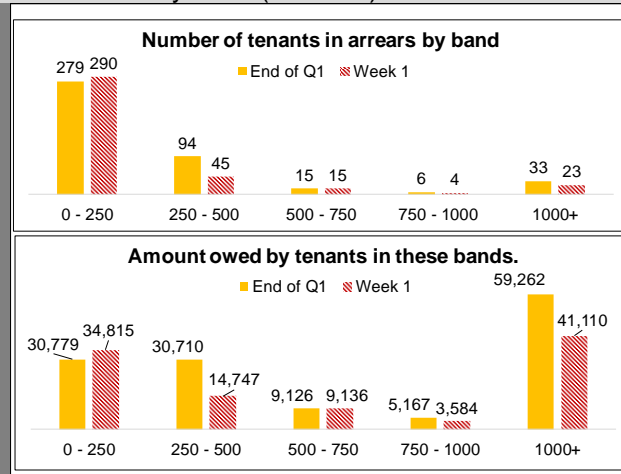
### Additional Indicators

#### 1a. Former tenants' rent arrears (indicator)

Former arrears reduced by £2.9k since the end of 2016-2017 to £30,963.

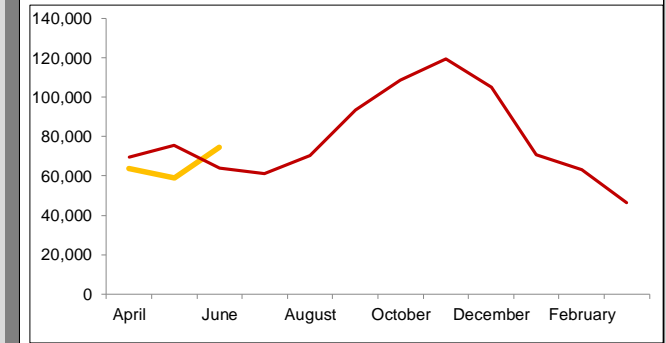


#### 1b. Arrears by band (indicator)



#### 1c. Aged arrears (indicator)

The amount owed by tenants, owing more than four weeks rent, increased by £11k since the start of April, with 60 tenants owing more than four weeks rent. 32 tenants owe more than £1,000 and are included in tile 1d. Of the remaining 28, four are progressing to, or already had, court action and 24 are reducing their arrears.



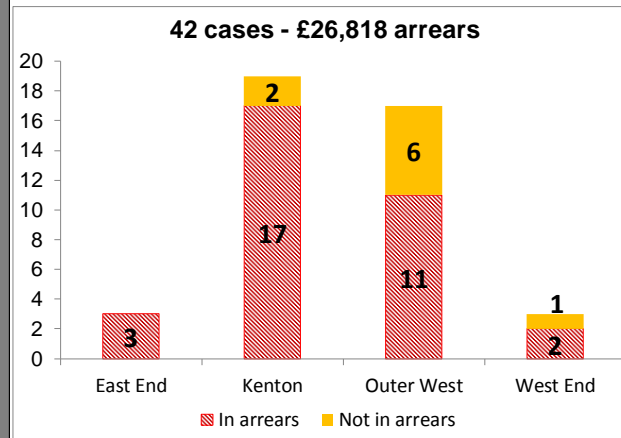
### 1d. £1000+ arrears cases (additional information)

33 tenants owed more than £1000 at the end of quarter one. The summary of action taken, to recover arrears, for the 33 cases is below. One new tenant, owing more than £1,000, awaiting housing benefit, is not included in the aged arrears indicator, tile 1c), due to owing less than four weeks rent.

Court order	13
Pre legal - arrears reducing by arrangement or progressing to legal	7
Pre legal - awaiting housing benefit (hb) for new tenancy or following an hb re-assessment.	6
Notice served - arrears reducing	4
Notice served - progressing to court action	2
Tenancy has since terminated	1
<b>Total</b>	<b>33</b>

### 1e. Universal Credit (indicator)

The number of tenants claiming UC increased to 42. There have been slightly more UC claims in the quarter, than anticipated. The average arrears for tenants claiming UC is £639, compared to £241 for all Leazes properties.



### 1f. Universal Credit (additional information)

The table below shows the number of UC tenants in arrears, by arrears band and the period since they claimed UC. Rent collection, for tenants receiving UC is lowest in the first months following their claim. Of 17 tenants owing more than £500, 13 claimed UC within the last six months.

Since claimed UC	Clear	0-250	250-500	500-750	750-1000	1000+	Total
0-3 months	7	3	4	6	1	3	24
4-6 months			1			3	4
7-9 months	1	3				2	6
10-12 months	1	4	1			2	8
<b>Total</b>	<b>9</b>	<b>10</b>	<b>6</b>	<b>6</b>	<b>1</b>	<b>10</b>	<b>42</b>

### **3. Supplementary performance information**

#### **3.1 Void Rent Loss (Tile 5)**

Void rent loss, reported as an indicator, is 1.85% at the end of quarter one.

The highest void rent loss is at Jubilee Court, where six properties were void during the quarter. Higher turnover, due to assured fixed term supported tenancies ending and low demand for the accommodation made reletting void properties difficult.

The scheme is changing to a mix of supported and general needs accommodation. A working group has identified actions, to improve the scheme and reduce rent loss, including tackling anti-social behavior, repairs and improvements, rebranding the block and marketing.

Sixteen voids, at supported housing schemes also contributed to the higher void rent loss. The Sheltered Housing service continue to work with the City Council to reduce the void period while new tenants, are identified by the panel, for learning disabilities schemes.

#### **3.2 Anti-social behaviour (tile 8)**

The average time to resolve Leazes Homes anti-social behaviour cases was 64 days. During the quarter, two anti-social behaviour cases closed.

Both cases were dealt with by the local Tenancy and Estates Team.

One case, open for 62 days, took longer to resolve, as there was a referral to a mediation service. During the period one party terminated their tenancy. The case was kept open so that it could be monitored until the complainant had left the property. The case was then closed.

A noise complaint, open for 66 days, was opened via the noise recording app. Interviews with both parties subsequently took place and the case was held open for further monitoring. No further noise recordings were submitted and the case was then closed.

### **4. Welfare reform**

#### **4.1 This section of the report provides Board with an update on the impact of Universal Credit, the benefit cap and the removal of the spare bedroom subsidy for Leazes Homes tenants.**

#### **4.2 Universal Credit**

There are currently 42 Leazes Homes tenants in receipt of Universal Credit (UC). At the end of June, 33 tenants were in arrears amounting to £26,818. The average arrears for these 33 tenants is £639.

Rent arrears from these tenants have increased by £18,572 since claiming UC. However, 23 of these tenants were in already arrears before claiming Universal Credit.

Eleven tenants, owing £14,686, have Alternative Payment Arrangements in place, where housing costs are paid direct to the landlord.

The rent collection rate for tenants receiving UC was 76.4% during quarter one of 2017-2018, compared to 95.1% for all tenants.

#### **4.3 Under occupation and the benefit cap**

At the end of the June, there were 32 tenants whose Housing Benefit (HB) had been reduced due to them under-occupying their homes. 25 of these tenants were in arrears at the end of the quarter. The combined benefit lost for these 32 tenants during the quarter was £6,418.

Three Leazes Homes tenants was subject to the benefit cap at the end of quarter one. All three of these tenants were in arrears at the end of quarter one with the average balance being £143.

## 5. Business implications

- 5.1 Mission and strategic objectives: This report specifically deals with performance measures against all of our strategic objectives.
- 5.2 Value for money/efficiencies: Monitoring performance against targets for average re-let time and the amount of rent collected will ensure a continued focus on those areas that can have a high financial impact.
- 5.3 Resources (financial, property, technological or human): Close monitoring of re-let periods and arrears levels will ensure that any poor performance is highlighted and addressed.
- 5.4 Impact on services/performance: This is integral to each part of the report.
- 5.5 Outcomes for tenants: Monitoring YHN's performance in delivering services for Leazes Homes and taking action to improve will help to ensure increased satisfaction and better use of resources for customer priorities.
- 5.6 Risk (reputation, relationship): A failure to monitor performance could place Leazes Homes at risk of failing in any of its strategic objectives. This, in turn, risks Leazes Homes' reputation, its income stream and its ability to develop and deliver much needed affordable housing.
- 5.7 Environmental: None.
- 5.8 Legal: YHN recognises its responsibilities to deliver a high quality service as part of the housing management services contract. The contract allows Leazes Homes to terminate it if there is a genuine belief that there is a risk of reputational damage as a result of the contract continuing or if there is a substantial breach by YHN of its obligations under the contract.
- 5.9 Equality and diversity: Monitoring performance using similar performance targets will help ensure that Leazes Homes' customers have access to the same level of service currently available to YHN customers.
- 5.10 Stakeholder involvement/consultation: The indicators highlighted within this report have been developed by YHN following a meeting with Leazes Homes' Managing Director.

## 6. Recommendations

- 6.1 Leazes Homes' Board is asked to:
- Review and comment on the performance monitoring report for quarter one

## 7. Implementation

### 7.1 Background papers:

None

### Contact officer:

If you have any questions about this report that you would like clarifying before the meeting, you can contact Jon Mitford, Leazes Homes' Managing Director, by telephone on 0191 278 8718 or email [jon.mitford@yhn.org.uk](mailto:jon.mitford@yhn.org.uk)