



Board of Trustees 6 August 2018

Performance monitoring report

April 2018 – June 2018, quarter one 2018-2019

Report by Managing Director, Leazes Homes

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 April 2018, the Board agreed the targets up to August 2018, see section two.

- 1.3 This performance monitoring report covers cumulative performance from April 2018 to June 2018 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 one tile (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 2018-19

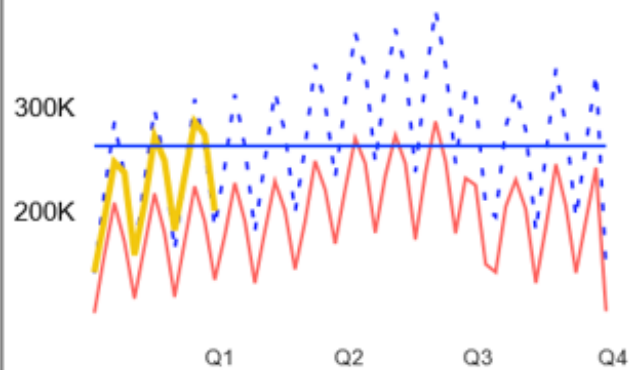
Stock
696

Tenancies
680

Key	
Actual performance	
Previous year	
Profiled target	
Target	

1. Rent arrears (target)

£263,250 by end of August 2018

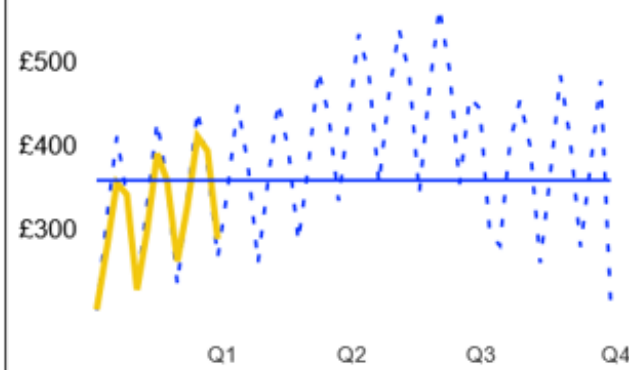


Arrears were £200,995 at the end of quarter one. This is £15k above the profiled target of £185,272.

Additional detail is provided in section three of this report.

2. Average arrears per property (target)

£359 by end of August 2018

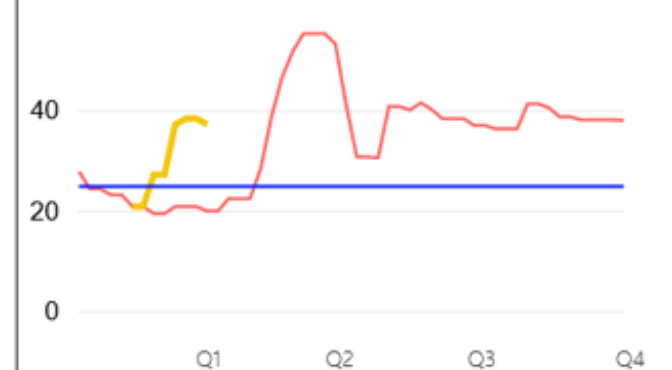


Average arrears were £289 at the end of quarter one. This is £22 above the profiled target to be below £359 at the end of August 2018.

Additional detail is provided in section three of this report.

3. Average relet period (target) - 25 days

excluding supported



The average relet time increased during quarter one to 37 days.

In addition, two voids requiring major repairs were allocated during quarter one and the average relet time for all voids is 24.5 days.

Additional detail is provided in section three of this report.

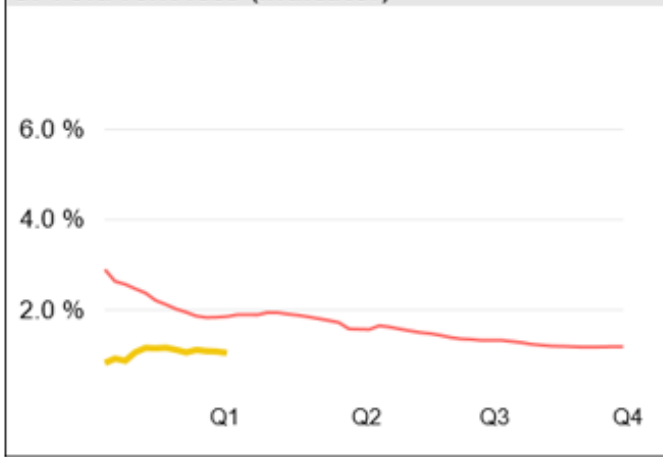
4. Average relet time for all standard voids (indicator)



The average relet time for all standard voids, including those in supported schemes is 22 days.

Additional detail is provided in section three of this report.

5. Void rent loss (indicator)



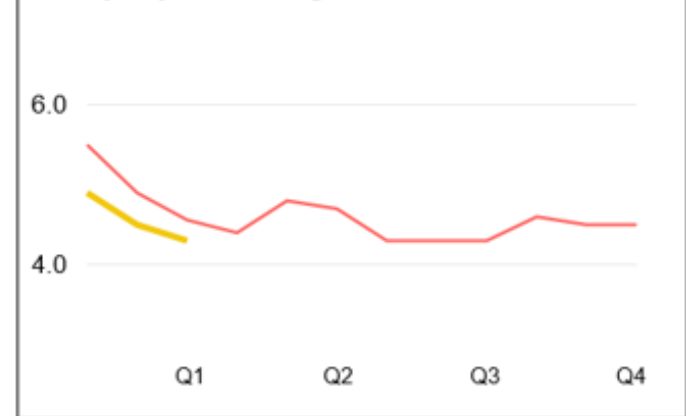
Void rent loss remained at 1.04% at the end of quarter one.

Although there have been 7% more voids during the first quarter of the year, compared to last year, void periods have been shorter, resulting in lower rent loss.

Including rent loss before the first allocation of a new build property, void rent loss is 4.2% for all stock.

6. Average time taken to complete repairs (target)

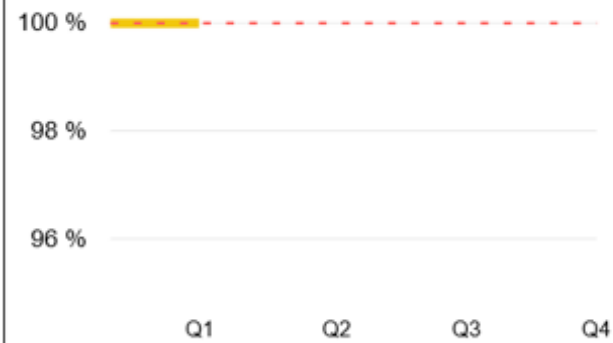
- 5 days by end of August 2018



Average time to complete repairs is 4.2 days at end of quarter one.

7. Gas Safety (target)

100% properties have a valid certificate at the end of August 2018



100% of properties have a valid certificate at the end of quarter one.

8. Anti-social behaviour (target)

- 30 days by end of August 2018



The average days taken to complete investigations of anti social behaviour during quarter one is 54 days.

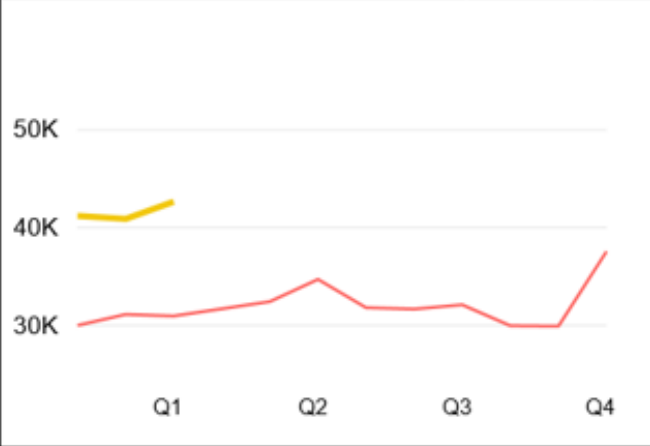
Additional detail is provided in section three of this report.

9. Complaints received (indicator)



No complaints received during quarter one.

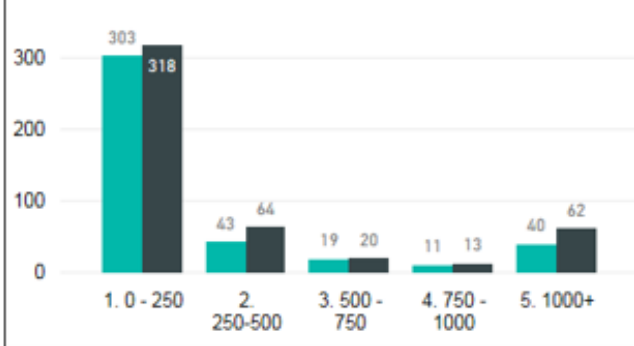
1a. Former tenants' rent arrears (indicator)



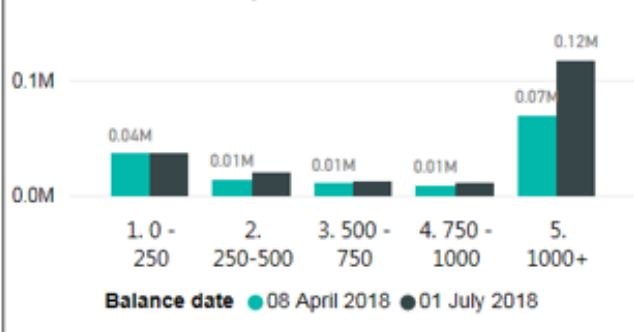
Arrears increased during Q1 to £43k. Arrears from two tenancies, terminating during quarter one, with high arrears balances, contributed to a £5k increase since April 2018.

1b. Arrears by band (indicator)

Number of tenants in arrears by band



Amount owed by tenants in these bands



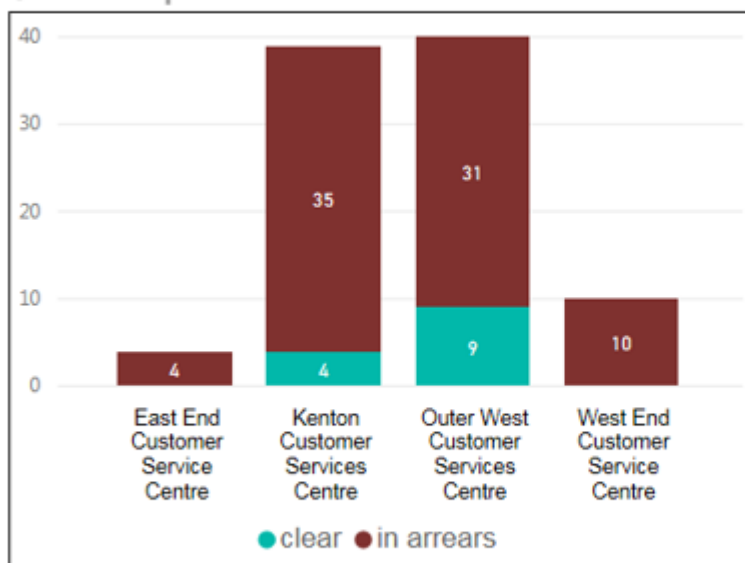
1c. Aged arrears (indicator)



£137k is owed by 91 tenants in arrears of more than four weeks rent.

1e. Universal Credit (indicator)

93 cases | £67,411 arrears



The number of tenants claiming UC rose to 93 during quarter one.

1f. Universal credit (additional information)

Since claimed UC	1. Clear	2. 0 - 250	3. 250 - 500	4. 500 - 750	5. 750 - 1,000	6. 1,000+	Total
1. 0 - 3 months			1	1		1	3
2. 4 - 6 months	3	1	3	2	2	3	14
3. 7 - 9 months		6	1	3	1	9	20
4. 10 - 12 months	3	3	5		1	5	17
5. 1 year +	7	16	4	3		9	39
Total	13	26	14	9	4	27	93

The table above shows the number of UC tenants in arrears, by arrears band and the period since they claimed UC.

3. Supplementary performance information

3.1 Rent arrears (Tiles 1 & 2)

Arrears at the end of quarter one was £200,995. This is £15k above the profiled position if performance achieve the August 2018 target (of being below £263k).

Analysis has identified that the rise in arrears is attributed to higher than expected rent arrears at Station Court, Dewley House and Lawson House schemes.

The recovery actions for these three schemes involves:

- Regular work to monitor all rent accounts and establish payments from customers;
- Actively seeking payments from Adult Social Care, where £10K of rent is outstanding, and
- Collecting £19K of rent from Housing Benefit.

In the week immediately following the end of quarter one, £14K of Housing Benefit was received for the tenancies at Station Court.

3.2 Average relet time (Tiles 3 & 4)

The average relet time, for standard voids, not in supported schemes, is 37 days, at the end of quarter one (tile 3), which is twelve days above the target, of 25 days by the end of August 2018. Performance being over target at the end of quarter one can be attributed to the allocation two voids.

The first void, at Jubilee Court, took 70 days to relet. This followed delays with the void reinstatement works.

The other void, in Benson Road, had to be re-advertised as all eight bidders refused the property when it was offered to them. This meant the relet time for this void was 42 days.

Looking forward to the end of August, it is unlikely that performance will recover to the 25 day target. At the time of writing the report, there were four current standard voids none of which are long term. Therefore we are hopeful that performance will improve slightly by the end of August.

3.3 Anti-social behaviour

Anti-social behaviour (tile 8)

Seven ASB cases were resolved during quarter one. The average number of days to resolve cases was 54 days, which is above the target to resolve cases within 30 days.

There were five cases that took over the 30 day target. We have reviewed each of these cases in detail and believe the time taken to resolve four of the cases were appropriate. It took longer to resolve these cases as at they involved additional actions such as providing support to vulnerable customers and working with partner agencies such as the police and street wardens.

In one case we believe we could have closed the case sooner. In future, as an outcome of the Customer Services Review, all ASB cases will be managed by the Safe Living Team. This means that there will be a greater focus on monitoring cases within this centralised team.

4. Welfare reform

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

4.2 Universal Credit

At the end of quarter one, 93 Leazes Homes tenants were in receipt of Universal Credit (UC), of which 80 tenants were in arrears amounting to £67,411. The average arrears for the 93 tenants claiming UC is £725.

Rent arrears from these tenants increased by £49,263 since claiming UC. However, 47 of these tenants were already in arrears before claiming Universal Credit.

21 tenants, owing £27,880, have Alternative Payment Arrangements in place, where housing costs are paid direct to the landlord.

The rent collection rate for tenants receiving UC was 88.18% at the end of quarter one 2018-2019, compared to 92.61% for all Leazes tenants. This has had an impact on the overall rent arrears levels for Leazes Homes.

4.3 Under occupation and the benefit cap

YHN continue to support tenants impacted by under-occupation and the benefit cap. Where tenants are identified as facing financial difficulty YHN can provide additional advice and support. Discretionary Housing Payments continue to be used as a means of supporting tenants to cover their rent shortfall and sustain their tenancies.

At the end of quarter one there were 24 tenants whose Housing Benefit (HB) had been reduced, due to under-occupation. All these tenants were in arrears at the end of the quarter. The combined benefit lost for these 24 tenants during the quarter was £4,797.

One Leazes Homes tenant was subject to the benefit cap at the end of quarter one. This tenant was in arrears of £75.

5. Business implications

5.1 Mission and strategic objectives: This report specifically deals with performance measures against all 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 acting 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 because 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' tenants have access to the same level of service currently available to YHN tenants.
- 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